

## 1040 Engagement Letter

Thank you for using Arizona Tax Partners, LLC for your tax preparation needs. Clear communication is a key to a successful business relationship. The purpose of this letter is to ensure we share an understanding of the services we provide.

### **Our Responsibilities:**

Our responsibility is to prepare your Federal and State tax returns based on information you provide. As part of our due diligence, we may ask for explanation regarding certain items, however, our services do not include verification or auditing of information you provide.

- Tax preparation fees are based on the forms and schedules needed to complete your return. Additional charges apply for compilation of information, research of asset basis, NOLs, 1099s, FIN CEN, and other domestic and foreign reporting forms.
- Preparation fees cover limited assistance and consultation during the year. They do not include audit representation, preparing materials to respond to correspondence from taxing authorities, amendments, or complex tax projections.
- Information provided will be kept confidential. However, our discussions are not protected by any form of attorney-client privilege. We cannot ignore the implications of any information you provide in the preparation process. If filing a joint return, there is no privacy for or from your spouse regarding our services.
- We will not guarantee that the IRS or state taxing authority will timely accept your return if filed within 5 days of the filing deadline.
- Occasionally we make mistakes. Please let us know if you receive any letters from the government. We correct returns at no cost if we are at fault, provided we are notified immediately of any error. We are not responsible for paying any additional tax owed.

### **Taxpayer's Responsibilities- please initial each sentence:**

\_\_\_ You agree to provide us with all income and deductible expense information needed to prepare your return.

\_\_\_ You agree to maintain written records of all items included on your return in the event of an audit by the IRS or state taxing authority. We recommend you keep proof of deductions for a minimum of 4 years.

\_\_\_ You understand that signing the tax return/ efile authorization form constitutes your agreement with it.

\_\_\_ Fees must be paid before your tax return is delivered to you or filed for you. In some situations, a retainer may be required.

\_\_\_ Some forms must be paper filed with taxing authorities. It is your responsibility to have mailings tracked to ensure proof of timely receipt.

\_\_\_ You understand that we do not guarantee that documents will be saved in the client portal for longer than one year. It is your responsibility to download any portal information you need before we remove it.

\_\_\_ You understand that we will provide simple tax planning at no additional cost between May and October. Complex tax planning and any tax planning required after November 1<sup>st</sup> will be billed at an hourly rate of \$150 per hour, minimum charge ½ hour.

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**Tax Questions:**

|   | YES                      | NO                       |
|---|--------------------------|--------------------------|
| I/ we owned a foreign bank, retirement account, or received a foreign inheritance/ gift, or had other foreign interests. I had signature authority over a foreign bank account. | <input type="checkbox"/> | <input type="checkbox"/> |
| I/ we received, sold, sent, exchanged, or otherwise disposed of virtual currency/ digital assets during the year.   | <input type="checkbox"/> | <input type="checkbox"/> |
| I/we purchased or sold real estate during the year.   | <input type="checkbox"/> | <input type="checkbox"/> |
| I/we had health insurance through the Affordable Care Act. (Provide 1095-A)   | <input type="checkbox"/> | <input type="checkbox"/> |
| I/ we made estimated tax payments by check or online.   | <input type="checkbox"/> | <input type="checkbox"/> |
| I/ we gave a gift in cash/ property or forgave a loan of \$17,000 or more per individual during the year.   | <input type="checkbox"/> | <input type="checkbox"/> |
| I/ we have or want to contribute to a retirement account other than through my employer.  | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you purchase an EV auto or install solar or energy efficient property?  | <input type="checkbox"/> | <input type="checkbox"/> |
| Do you have an LLC (either active or inactive)? If yes, you have additional reporting requirements for 2024.  | <input type="checkbox"/> | <input type="checkbox"/> |

**Please select from the following:**

|               |                       |                       |                       |
|---------------|-----------------------|-----------------------|-----------------------|
|               | Write/ receive checks | Direct deposit/ debit | Apply to next year    |
| If I owe tax: | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| For refunds:  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

**Direct Deposit of Refund or Debit for Payment of Tax-** We do not keep or reuse prior year information. We will not direct deposit a refund without the below information or a voided check.

Routing # \_\_\_\_\_ Account # \_\_\_\_\_

Signatures:

By signing below, you acknowledge that you understand and accept your obligations and responsibilities and you certify that the bank information provided above is correct. This agreement is in effect for calendar year 2023 unless and until canceled by either party in writing.

|                    |      |                  |      |
|--------------------|------|------------------|------|
| Taxpayer Signature | Date | Spouse Signature | Date |
|--------------------|------|------------------|------|

|            |            |
|------------|------------|
| Print Name | Print Name |
|------------|------------|