<u>2020 Tax Return Preparation Engagement Agreement (Mandatory)</u>

This contract will confirm our understanding of the terms, nature, and extent of the services that Number Queen Ltd. will provide.

Number Queen Ltd, hereinafter referred to as NQ, will prepare your tax year 2020 Federal and State income tax returns from information you furnish. NQ will process the returns and provide you with copies for your records. NQ will electronically file your returns upon receipt of your signed authorization or provide you with paper copies for you to file with the required tax jurisdictions. NQ will not audit or otherwise verify the data you submit, but will rely on the information you provide. NQ will keep copies of your return as required by law.

You are responsible for providing, in a timely manner, the complete information needed to prepare your returns. You agree to report all your taxable income, including any bartering, partnership interests, sales of business or personal assets, and all investment income from all sources. If you are unable to provide all required information by the first of any month in which a return is due (or other communicated deadline), you understand that a filing extension may be required and that the return may not be completed by the filing date.

You agree that if you claim an income tax deduction, you will keep timely and appropriate records and receipts. By claiming any such deduction, you represent that you have the required evidence. You are solely responsible for retaining the supporting documents* and other substantiation to present to the taxing authorities in the case of an audit.

Your returns are, of course, subject to review by tax authorities. You agree to inform NQ, before we accept the engagement, of any correspondence from any taxing authority. You also agree to inform us promptly of any correspondence from any taxing authority regarding returns that we have prepared. In many cases, the issues can be resolved quickly if prompt action is taken. The fee for tax preparation does not include any assistance you may need in connection with tax agency inquiries, examinations, or any subsequent assessment (unless you purchase Audit Advantage, which we offer for an additional fee).

Although the tax returns represent our best professional opinion, we cannot guarantee the result. Tax return preparation involves the application of conflicting laws, authorities and interpretations that present varying possibilities of taxing agency inquiries. Opinions of various tax personnel and courts are often conflicting. Judicial and legislative thought is subject to continual change. Therefore, we can only guarantee our very best effort to help you arrive at the lowest legal tax liability. NQ will not be responsible for penalties incurred because of your choice to pursue an aggressive stance on a matter about which you were informed of the potential challenge. Any tax liability, penalty and/or interest assessed are the responsibility of you, the taxpayer. In no event shall any claim for damages against NQ or its assigns exceed the value of this agreement.

Tax return fees are based upon the complexity of the returns, tax issues involved, and the general condition of the information you provided to me. Any additional work or bookkeeping necessary to prepare the returns will incur additional fees. **The payment for tax return fees is required before I release the returns, including e-mailing or transmitting them to taxing authorities.**

Your signature here acknowledges your intent to engage our services on behalf of yourself and your spouse, if filing jointly. When all parties sign the returns, or the electronic substitutes, each signer declares that they have examined the return, including all the accompanying schedules and statements, and that they are true, correct, and complete to the best of their knowledge and belief.

Client Name/s (please print)	Client Signature/s	Date

* Supporting documents include, but are not limited to: cancelled checks, receipts, daily diaries, appointment books, calendars, automobile mileage logs, entertainment records, credit card records, investment records, records reflecting cost of goods given to charities, real estate records. Bank and credit card statements alone are not sufficient evidence of deductions.

2020 Audit Advantage Agreement (Optional)

Audits and tax agency correspondence are an inevitable and unpleasant byproduct of filing income tax returns. Many inquiries are a direct result of information mismatches caused by reporting agency errors, and many audits result from flags or "gray areas," where the tax agency disputes a deduction and the taxpayer is unable to defend his claim. Even the most organized taxpayer may have misplaced receipts or forgotten the details of transactions by the time they receive an inquiry.

If purchased, Audit Advantage entitles you to be represented by Number Queen Ltd (or assigns) should you be audited by Federal or State taxing authorities regarding your 2020 income tax returns for no additional charge (subject to the limits below).

Should you choose not to purchase Audit Advantage, or if you do not qualify, you may retain my services at the standard representation rate of $190.00 per hour. Simple audits average about 9 hours, and notice responses average about 1.5 hours. More complex issues can obviously take more time.

Cost

Calculated at 15% of the tax return preparation fee. For example, if the cost to prepare your income tax returns is $500.00, Audit Advantage would cost an additional $75.00.

Coverage

- Your 2020 Federal and state income tax returns are covered for examinations and inquiries by the agencies with which they were originally filed. The coverage will always attach to the 2020 tax returns. If, for example, your California return was questioned years later, the 2020 return would be covered (subject to the limits below).
- I will not charge you for time answering letters or other correspondence from the agencies with which your 2020 income tax returns were originally filed, up to 6 hours of my time.
- I will not charge you for the first 6 hours I spend to organize your records (recordkeeping) when your return is audited.
- I will not charge for the first 6 hours with the auditor at either my office or the local office of the taxing authority. Subsequent hours, if necessary, would be charged at my hourly representation rate of $190.00.

Exclusions & Limitations

- Your election to purchase this service may only be made at the time of preparation of your income tax return. It will not be available after that time. I retain the right to decline purchase of Audit Advantage to any client for any reason.
- Audits and Correspondence must be directed to my office immediately upon receipt.
- Tax Agency inquiries regarding material facts left off Organizer and/or documents that were not provided to me are not covered.
- The cost of travel and lodging for audits outside of the Sacramento area, the fees for amending tax returns, and the time necessary for additional organization is not covered.
- Partnerships, LLCs and Corporations that do not use computer-based accounting software with a full chart of accounts cannot purchase Audit Advantage.
- Bookkeeping services are not covered.
- Any additional tax, penalties or interest you may incur as a result of the audit are your responsibility to pay.
- Collection issues are not covered under this agreement.
- Tax Court is excluded from coverage.
- All overdue balances owed to my office must be paid in full before this coverage will be honored.

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Client Name/s (please print)

____ ____________________
Client Signature/s Date

You must retain your signed copy of this agreement and proof of payment for 5 years from the date of this agreement. Audit Advantage not purchased and paid for upon completion of your income tax returns will not be honored.

2020 Organizer Questionnaire

Please check any statement that applies to you/your family for <u>tax year 2020</u> and include any necessary details and documentation. These questions are critical to the tax return process, as they often jog your memory about questions you may have, or transactions that you need to report to avoid any missed items that IRS may contact you about later.

Check all that apply	**Personal Information**
	marital status changed
	address/e-mail/phone number changed
	changed bank accounts used to direct deposit your tax refunds
Check all that apply	**Covid-19**
	received a stimulus payment in 2020
	received emergency leave sick pay
	received emergency family leave wages
	received any special unemployment benefits or compensation under the Coronavirus Relief Act during the year
Check all that apply	**Healthcare**
	received distributions from a Health savings account (HSA), Archer MSA, or Medicare Advantage MSA this year
	made contributions to a Health savings account (HSA) or Archer MSA
Check all that apply	**Dependent Information** *It is critical to discuss taxes with your working children to avoid any problems with filing and dependency. They can make mistakes that may impact your ability to file your taxes.* *In addition to any other notes, please a copy of social security card and birth certificate for any new dependents.*
	changes in dependents from the prior year
	dependents under age 24 with unearned income of more than $2,200
	dependents who must file a tax return
	provided over half the support for any other person(s) other than your dependent children
	paid for child care while you worked or looked for work
	paid any expenses related to the adoption of a child during the year
	have a divorce decree or other form of separation agreement which impacts tax filing
Check all that apply	**Education**
	had educational expenses during the year on behalf of yourself, your spouse, or a dependent
	attended college, or plan to attend one in the coming year
	received a scholarship of any kind during the year
Check all that apply	**Real Estate**
	purchased rental property
	sold, exchanged, or purchased any real estate (including your personal residence)

	foreclosed or abandoned a principal residence or real property
	took out a home equity loan
	refinanced a principal residence or second home
	sold a rental, or other property
	made energy efficient improvements to your main home
Check all that apply	**Business**
	received a Paycheck Protection Program (PPP) loan
	applied for Paycheck Protection Program (PPP) loan forgiveness
	started a new business
	acquired a new or additional interest in a partnership or S corporation
	Have income through a merchant service like Paypal, Square, Etsy, etc. Please provide Form 1099-K.
Check all that apply	**Investments**
	acquired or disposed of any stock
	had a financial interest in or signature authority over a financial account such as a bank account, securities account, or brokerage account, located in a foreign country
	had any foreign financial accounts, foreign financial assets, or hold interest in a foreign entity
	had any sales or other exchanges of virtual currencies, or used virtual currencies to pay for goods or services, or you are holding virtual currencies as an investment?
	made contributions to an education savings or 529 Plan account
Check all that apply	**Income**
	received income from property sold prior to this year
	received lump-sum payments from a pension, profit sharing or 401(k) plan
	made withdrawals from an IRA, Roth, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan
	made withdrawals from an education savings or 529 Plan account
	received Social Security benefits during the year
	received unemployment benefits during the year
	received disability income during the year
	received tip income not reported to your employer this year
	life insurance policies matured, or surrendered any policies
	cashed Series EE or I U.S. Savings bonds issued after 1989
	received awards, prizes, hobby income, gambling or lottery winnings
	expecting a large fluctuation in income, deductions, or withholding next year
	retired or changed jobs
	had debts canceled or forgiven, such as home mortgage or student loans
Check all that apply	**Deductions**
	made contributions to an IRA, Roth, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan

	donated a vehicle or boat during the year - if yes, attach Form 1098-C or other written acknowledgement from donee organization.
	incurred a casualty or theft loss in a federally recognized disaster area
	made cash or noncash charitable contributions (clothes, furniture, etc.) - if yes, please provide evidence such as a receipt from donee organization, a canceled check, or record of payment, to substantiate all contributions made.
	made major purchases during the year (cars, boats, etc.)
	paid student loan interest
	purchased a qualified plug-in electric drive vehicle or qualified fuel cell vehicle
Check all that apply	**Miscellaneous**
	made gifts of more than $14,000 to any individual
	made out-of-state purchases (by telephone, internet, mail, in person) that the seller did not collect state sales or use tax
	paid an individual as a household employee
	received an Identity Protection PIN from the Internal Revenue Service or have you been a victim of identity theft - if yes, attach the IRS letter
	received correspondence from the State or the Internal Revenue Service

Notes: