



SEE Solutions LLC
For Your Tax and Bookkeeping Needs
(304) 670-3284
www.seesolutionstax.com

2019 Individual Income Tax Return Annual Engagement Letter

Date: _____

Client Name (s): _____

The Internal Revenue Service imposes penalties on taxpayers and on return preparers for failure to observe due care in reporting for income tax returns. In order to ensure an understanding of our mutual responsibilities, SEE Solutions LLC wants to confirm the following arrangements:

1. SEE Solutions LLC (the Firm) is pleased to confirm our understanding of the arrangements for your 2019 income tax return(s). This letter confirms the services you have asked our firm to perform and the terms under which we have agreed to do that work. Please read this letter carefully because it is important to both our firm and you that you understand what you can and cannot expect from our work. In other words, I want you to know the limitations of the services you have asked us to perform. If you are confused at all by this letter or believe we have misunderstood what you need, please call me before you sign it.
2. This engagement letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations or agreements, written or oral, regarding these services. It shall be binding on the heirs, successors and assigns of you and us. The Internal Revenue Service imposes penalties on taxpayers, and on us as return preparers, for failure to observe due care in reporting for income tax returns. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to confirm the following arrangements. We will prepare the returns from information which you will furnish to us. It is your responsibility to provide all the information required for the preparation of complete and accurate returns. We will furnish you with any questionnaires and/or worksheets that you request to guide you in gathering the necessary information. Your use of such forms will assist us in keeping our fee to a minimum. To the extent, we render any accounting and/or bookkeeping assistance, it will be limited to those tasks we deem necessary for preparation of the returns.

Tax Preparer Responsibilities

3. We will prepare your 2019, and only your 2019 Federal and **Specific State(s)/Cities:**
_____ Individual
Income Tax Form 1040 and the related Federal and Specific State(s)/Cities listed above individual Form 1040 income tax return schedules from the information you furnish us. We will also prepare your 2020 estimated tax payments from the information you furnish us. We will not audit, review, compile or otherwise verify the data you submit although we may ask you to clarify some of the information. We are not responsible for returns prepared by other preparers. ***If you have taxable activity in a state/city other than that specifically listed you are responsible for providing our firm with all information necessary to prepare any additional applicable state(s) or local income tax returns as well as informing us of the applicable states. We will prepare only those state/city returns specifically listed above.***

4. ***We are responsible for preparing only the specific individual income tax forms for the specified reporting agencies listed in this letter. Any other required services, forms or other actions on our part require a separate engagement letter. In the absence of written communications from us documenting such services, our services will be limited to and governed by the terms of this engagement letter. Our services are not intended to determine whether you have filing requirements in taxing jurisdictions other than the one(s) of which you have requested in paragraph 3 above. Our firm is available under the terms of a separate engagement letter to provide a nexus study that will enable us to determine whether any other state tax filings are required.***

5. We will use our professional judgement in preparing your returns. Whenever we are aware that a possible applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g tax agencies and courts), we will explain the possible positions that may be taken on your return. We will adopt whatever position you request on your return, as long as it is consistent with the codes, regulations and interpretations that have been promulgated. If the Internal Revenue Service should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any such additional assessments. Any items resolved against you by the examining agent are subject to certain rights of appeal. In the event of an examination, we will be available to represent you. Our fees to prepare your return do not include responding to inquiries or examination by taxing authorities. However, we are available to represent you and our fees for such services are at our standard rates and would be covered under a separate engagement letter. When a self-employed taxpayer reduces

taxable income, there is also a reduction in earned income reported to the Social Security Administration, which could reduce current and future benefits for the taxpayer and his or her dependents. If you choose to reduce your taxable income, you acknowledge and agree to the potential negative effects on future social security benefits for you, your spouse, and any dependents.

6. It is customary for a married couple and/or business partners to have the same accountant represent both of them in their financial affairs. If you have differences of opinion as to the proper course of action, we will point out the pros and cons of the alternatives, but we cannot advocate for either of your positions. Rules of professional conduct require that we do not withhold any information obtained from one of you from the other. Lastly, if a dispute arises between you so that we cannot perform the work we have undertaken to perform, it will be necessary for us to withdraw as your joint accountant and to advise one or both of you to obtain independent advice.
7. ***We must receive all your information by March 31st in order to complete your return in a timely manner.*** Information received after that date may cause your return to be extended and completed after the April 15th dues date. If an extension of time to file is required, any tax due with this return must be paid with the extension. Any amounts not paid by the filing deadline may be subject to penalties and interest.

Taxpayer Responsibilities

8. Please note that any person or entity subject to the jurisdiction of the United States of America (includes individuals, corporations, partnerships, trusts, and estates) having a financial interest in, or signature or other authority over, bank accounts, securities, or other financial accounts having an aggregate value exceeding \$10,000 in a foreign country, shall report such a relationship. Although there are some limited exceptions, filing requirements also apply to taxpayers that have direct or indirect control over a foreign or domestic entity with foreign financial accounts, even if the taxpayer does not have foreign account(s). For example, a corporate-owned foreign account would require filings by the corporation and by the individual corporate officers with signature authority. Failure to disclose the required information to the U.S. Department of the Treasury may result in substantial civil and/or criminal penalties. Such disclosure includes filing Form 8938 with this Form 1040. ***If you do not provide our firm with information regarding any interest you may have in a foreign account, we will not be able to prepare any of the required Income Tax related forms, and penalties may be due, for which we have no responsibility. In the absence of such information being provided we will presume you do not have any foreign assets or financial interests and will not file any applicable disclosure forms without separate written authorization.***

9. If you and/or your entity have a financial interest in any foreign accounts, you are also responsible for filing Form FinCen 114 required for the U.S. Department of Treasury on or before April 15th of each tax year. US citizens are required to report worldwide income on their US tax return.

10. In addition, currently the Internal Revenue Service, under IRC §6038 and §6046, requires information reporting if you are an officer, director or shareholder with respect to certain foreign corporations (Form 5471); foreign-owned U.S. corporation or foreign corporation engaged in a U.S. trade or business (Form 5472); U.S. transferor of property to a foreign corporation (Form 926); and, for taxable years beginning after March 18, 2010, if you hold foreign financial assets with an aggregate value exceeding \$10,000 (Form 8938). Therefore, if you fall into one of the above categories **you** may be required to file one of the above listed forms. Failure to timely file may result in substantial monetary penalties. By your signature below, you accept responsibility for informing us if you believe that you fall into one of the above categories and you agree to provide us with the information necessary to prepare the appropriate form(s). We assume no liability for penalties associated with the failure to file or untimely filing of any of these forms.

11. You represent that the information you are supplying is accurate and complete to the best of your knowledge. You agree that you have reported all 2019 income you received including barter, crypto-currency, consumer-to-consumer activity, cash based revenues and all other income whether received in-person, in-kind, or electronically. It is your responsibility to maintain in your records the documentation necessary to support the data used in preparing your tax returns including, but not limited to, auto, travel, entertainment and related expenses, as well as the required documents to support charitable contributions. If you have any questions as to the type of records required, please ask us for advice in that regard. It is also your responsibility to carefully examine and approve your completed tax returns before signing and filing. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest.

12. You are responsible for informing us of what, if any qualified health insurance you had during the year. You are also responsible for notifying us of any advance premium tax credit you received during the year. Please complete the separate addendum for compliance with the individual insurance mandate of the Affordable Care Act. We will rely, without independent verification, on the information that you

have provided on the addendum to determine your eligibility for credits, application of penalties and reconciliation of any advance credit payments where applicable.

13. It is our policy to keep records related to this engagement for three years. After which they are destroyed. However, we do not keep any originals client records. Rather, it is our policy to return those to you at the completion of the services rendered under this engagement. **Please note that we are not responsible for keeping electronic data including QuickBooks files for any length of time past the agreed upon engagement.** You should establish and maintain backup procedures for your business and personal records. When records for possible future use, including potential examination by any government or regulatory agency. We recommend that you keep all records and supporting documentation along with copies of federal and state tax returns for at least seven years.
14. New privacy laws were established by the Internal Revenue Service effective January 1, 2009 which prohibits us from providing confidential information or copies to anyone other than you without your specific written authorization. If we are asked to disclose any privileged communication, unless we are required to disclose the communication by law, we will not provide such disclosure until you have had an opportunity to argue that the communication is privileged. You agree to pay any and all reasonable expenses that we incur, including legal fees, that are the result of attempts to protect any communication as privileged. In addition, your confidentiality privilege can be inadvertently waived if you discuss the contents of any privileged communication with a third party, such as a lending institution, friend or a business associate. We recommend that you contact us before releasing information to a third party. Our firm may utilize electronic communication (i.e. fax, email, and other electronic methods) during this engagement. You consent to our firm's use of electronic communications and recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent. Our Privacy Disclosure Statement is included with this engagement letter. By signing your acceptance of this engagement, you are also confirming that you have read the Privacy Disclosure Statement and agree to the terms.
15. Fees for our services will be at our standard rates for tax work which vary according to the degree of responsibility involved and experience level of personnel assigned to your engagement. We reserve the right to increase or decrease our fees based on the level of the services rendered. Our services will conclude upon delivery of the completed tax returns discussed above or upon our resignation from the engagement. Invoices are due and payable on presentation, unless prior arrangements have been made. Past due balances are subject to rebilling and

finance charges. You further acknowledge and agree that in the event we stop work or withdraw from this or any other engagement as a result of your failure to pay on a timely basis for services rendered, we shall not be liable to you for any damages that may occur as a result of our ceasing to render services.

16. Once our engagement to prepare your income tax return is completed, you may from time to time also request that we perform additional services such as answering your inquiries on specific tax matters and/or to consult with you on income tax planning. These additional services will be covered as a separate engagement with the applicable fees at our standard rates.
17. From time to time during our relationship, you may seek our advice with regard to potential investments and investment activities. We are not investment advisors. Accordingly, we suggest that you seek the advice of qualified investment advisors appropriate to each investment being considered. Unless otherwise specifically agreed to in a separate engagement letter signed by both parties, we will not advise you regarding the economic viability or consequences of an investment or whether you should or should not make a particular investment.
18. The IRS Code section 199A may be applicable to your tax filings for 2019. We will provide guidance, as best as we can, based on our interpretation of this code section. Many unanswered questions have arisen in the tax profession and the IRS, in many cases, has yet to provide authoritative guidance. Further, the planning possibilities embedded in this code section may provide unintended results in other facets of tax planning such as pension, FICA tax, reasonable and unreasonable compensation, entity selection, etc.... By executing this engagement letter, you are asserting that you are aware of the difficulties in tax planning created by this newly formed code section and waive any liability against our Firm for either failing to contact us prior to December 31, 2019 and/or subsequent authoritative guidance by the tax courts, IRS and other agencies that may affect tax planning and preparation for 2019.
19. In recognition of the relative risks and benefits of this agreement to both you and SEE Solutions LLC (the firm), you and the firm have discussed and have agreed on the fair allocation of risk. As such, you agree, to the fullest extent permitted by law, to limit the liability of the firm for any and all claims, losses, costs and damages of any nature whatsoever, so that the total aggregate liability of the firm to you shall not exceed the firm's total fee for services rendered under this agreement. You and the firm intend and agree that this limitation applies to any and all liability or cause of action against the firm, however alleged or arising, unless otherwise prohibited by law. Both parties agree that there is a one-year limitation period to bring claim against

the firm for errors or omissions. The one-year period will begin upon the date of the tax professional's signature on the tax returns covered by this engagement letter.

We appreciate the opportunity to serve you. Please sign, date and return this letter to acknowledge your agreement with and acceptance of your responsibilities and the terms of this engagement. ***It is our policy to initiate services after we received this executed engagement letter.***

Sincerely,

SEE Solutions LLC

I have read and agree to the above terms of this engagement letter and I have read and agree to the Privacy Disclosure Statement:

Taxpayer: _____ **Spouse:** _____

Date: _____ Date: _____

Printed Name: _____ Printed Name: _____

Office Use: Client Code: _____
