

Engagement Agreement for Tax Preparation

This agreement is for tax preparation services provide to:

Tax Payer's Name: _____

Spouse's Name: _____

Management Accounting is pleased to provide you with the professional services described below. This letter confirms our understanding of the terms and objectives of our engagement and the nature and limitations of the tax services we will provide. The engagement between you and our firm will be governed by the terms of this letter.

Our engagement will be designed to perform the following services:

- Prepare the December 31, 2024, federal and requested state income tax returns with supporting schedules from information that you will provide to us.

*This engagement does not cover the preparation of any tax returns not listed above. Financial statements, tax planning, estimating, advisory services, or consultations outside of tax season will be covered under a separate engagement which will be billed at an hourly rate of \$330 per hour, unless otherwise stated or agreed upon.

We will prepare the above referenced tax returns solely for filing with the Internal Revenue Service (IRS) and applicable state authorities. Our work is not intended to benefit or influence any third party, either to obtain credit or for any other purpose. You agree to indemnify and hold us harmless with respect to any and all claims arising from the use of the tax returns for any purpose other than filing with the IRS and state tax authorities regardless of the nature of the claim, including the negligence of any party.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations or other irregularities, should any exist. However, should we find any irregularities or unusual items, we will bring them to your attention. If we discover any errors or omissions on a prior year return, we will bring them to your attention as well. We will be happy to prepare appropriate amended returns as a separate engagement.

We will use our judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor whenever possible.

We will not directly respond to any request from banks, mortgage brokers, or others for verification of any information reported on these tax returns without prior authorization. If this information is needed, please contact our office for the specific authorization forms to be completed.

Tax planning services are not within the scope of this engagement. During the course of preparing the tax returns identified above, we may bring to your attention potential tax savings strategies for you to consider as a possible means of reducing your taxes in subsequent tax years. However, we have no responsibility to do so, and will take no action with respect to such recommendations, as the responsibility for implementation remains with you, the taxpayer.

You are responsible for providing the full and accurate disclosure to us of all relevant facts affecting the returns. The tax returns will be prepared solely from information provided to us without verification by us. At your request,

we are available to provide you with answers to your questions on the types of supporting records required. **You have the final responsibility for the returns and, therefore, you should review them carefully before you sign and file them.** You agree to hold our firm harmless from any liability including but not limited to, additional tax, penalties, interest, and professional fees resulting from the disallowance of tax deductions due to inadequate documentation.

You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services. Please thoroughly review your completed tax returns prior to signing the Efile authorization forms. Changes made after signing eFile forms will result in the need for an amended return at an additional fee.

The IRS considers virtual currency (e.g. Bitcoin) as property for U.S. federal income tax purposes. As such, any transactions in or transactions that use virtual currency are subject to the same general tax principles that apply to other property transactions. If you had virtual currency activity during the tax year, you may be subject to tax consequences associated with such transactions and may have additional reporting obligations. You agree to provide us with complete and accurate information regarding any transactions in or transactions that have used virtual currency during the applicable tax year.

Federal and state tax authorities impose various penalties and interest charges for non-compliance with tax laws and regulations, including failure to file or late filing of returns, and underpayment of taxes. You, as the taxpayer, remain responsible for the payment of all tax, penalties, and interest charges imposed by tax authorities.

The IRS permits you to authorize us to discuss, on a limited basis, aspects of your return for one year after the return's due date. Your consent to such a discussion is evidenced by checking a box on the return. Unless you tell us otherwise, we will check that box authorizing the IRS to discuss your return with us.

The returns may be selected for review by the taxing authorities. In the event of an audit, you may be requested to produce documents, records, or other evidence to substantiate the items of income and deduction shown on the tax return. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of a tax examination or audit, we will be available, upon request, to represent you. However, such additional services are not included in the fees for the preparation of the tax returns.

It is our policy to keep records related to this engagement for seven years. However, we do not keep any of your original records so we will return those to you upon the completion of the engagement. When records are returned to you, it is your responsibility to retain and protect the records for possible future use, including potential examination by governmental or regulatory agencies. By signing this engagement letter, you acknowledge and agree that upon the expiration of the seven year period, we are free to destroy these records.

It may become necessary to apply for an extension of the filing deadline if there are unresolved issues or delays in processing, or if we do not receive all of the necessary information from you on a timely basis. **The deadline for submitting documentation in order to complete your return on time is 3/1/2025.** Applying for an extension of time to file may extend the time available for a government agency to undertake an audit of your return or may extend the statute of limitations to file a legal action. **Filing for an Extension extends your time to file. However, all taxes owed are due by the original filing deadline. You should make estimated payments on or before the original filing deadline to avoid penalties and interest. Additionally, extensions may affect your liability for penalties and interest or compliance with government or other deadlines. It is not the responsibility of our firm to assume an extension is needed. You are solely responsible for contacting our office to confirm that we will need to file an extension for you in advance of the original filing deadline of 4/15/25.**

In an effort to avoid any misunderstanding that may arise under the terms of this agreement, or as to the nature, quantity, or quality of any services rendered, we both agree, if we are unable to reach an agreement, such misunderstanding shall then be resolved in accordance with the arbitration procedures promulgated by the

American Arbitration Association. Please be assured that our goal is to develop a clear understanding with the client and establish a rapport whereby any misunderstandings are minimized.

We have the right to withdraw from this engagement if you do not provide us with any information we request in a timely manner, refuse to cooperate with our reasonable requests or misrepresent any facts. Our withdrawal will release us from any obligation to complete your return and will constitute completion of our engagement. You agree to compensate us for our time and out-of-pocket expenses through the date of our withdrawal.

Unless otherwise stated, your return will be filed electronically only after we have received your final payment for our services and a signed authorization to file, signed by taxpayer (and spouse, if Married Filing Jointly). If you chose not to e-file your returns with our office, you will be solely responsible to file the returns with the appropriate taxing authorities.

Our services will conclude upon the earlier of:

- The filing and acceptance of your December 31, 2024 tax returns by the appropriate tax authorities and mailing or delivery of non-electronically filed tax returns (if any) to you for your review and filing with the appropriate tax authorities.
- Written notification by either party that the engagement is terminating, or
- One year from the execution date of this letter.

Fees for our service will be billed at the appropriate rate for the level and value of services rendered, plus administrative fees. All invoices are due and payable upon presentation. AGAIN, your return will not be filed until your tax preparation invoice has been paid in full. A service charge of 3% per month will be assessed on any unpaid balance 30 days past due. This agreement may be terminated by either of us at any time. In the event this arrangement is terminated, you agree to be responsible for all fees and charges incurred through the date of termination.

- You agree to accept and monitor communications from our office via email, phone, Constant Contact, SmartVault, and the automated messaging sent from our CRM Software throughout this engagement.
- You agree to pick up your original tax documents within 14 days of the filing of your tax return or Management Accounting will mail them to you first class mail unless you request and agree to pay for priority shipping/ mailing of your choice.
- **You understand that all tax information required to file the tax return must be received and confirmed by 3/1/2025 for tax returns to be filed by the 4/15/25 filing deadline. Additionally, you understand and agree that information received after 3/1/2025 may result in the need for us to file an extension for this tax return and you are still responsible for estimating and making required tax payments by 4/15/2025.**

If the foregoing fairly sets forth your understanding, please sign this letter in the space indicated and return it to our office. We want to express our appreciation for this opportunity to work with you.

Sincerely,

Bob Langworthy, MBA, EA

Jason Albaugh, CPA

Tax Payer's Name: _____

Authorized Signature: _____ Date: _____

Signer's Name (if not the tax payer): _____ Relationship: _____