

Dear

Thank you for choosing The 10th Man Bookkeeping, LLC to help you with your tax filings. We value your trust and will do everything we can to prove that you were wise in choosing us. Our goal is to give a stress-free tax filing experience. Clear communication plays an important part in this process. This letter confirms the terms of my engagement with you and outlines the nature and extent of the services I will provide.

**Contents of this tax service engagement agreement:**

- A) Definitions
- B) Communications
- C) Work Process
- D) Fees and Payment
- E) After End of Agreement
- F) Miscellaneous Provisions

**A) DEFINITIONS**

“I”, “me”, and “we” used throughout this agreement refers to The 10th Man Bookkeeping, LLC, my supervised staff, service providers and contractors.

“You” refers to you and your spouse, if applicable, and any dependent on the tax return or other person who provides tax information. “Writing” includes text messages and email communications.

**B) COMMUNICATIONS**

**NON-SECURE COMMUNICATIONS:** Non-secure communications about this service can be made through any of the following: Email: [odeleon@the-tenthman.com](mailto:odeleon@the-tenthman.com), Phone: (702)483-7347, Web: <https://the-tenthman.com/>. I will provide informal updates periodically, at least once a week, throughout the engagement. If you do not receive these communications then it is your responsibility to ask about the status of the engagement.

**SECURE COMMUNICATIONS:** Secure communications are safely and easily sent through a document portal found at <https://the-tenthman.com/doc-management>. The secure document portal that you create is private.

**C) WORK PROCESS**

**WORK TO BE COMPLETED:** Unless otherwise stated as described under the “Special Circumstances” section below, I will complete the following work as part of this engagement.

1. Prepare your Federal and One state tax returns for the year: \_\_\_\_\_, solely based on tax data that you provide.
2. A local income tax return or local services tax return will be prepared if applicable and if required.

3. No additional Tax return preparation, Bookkeeping or Accounting procedures not listed here will be performed unless specifically included in the "Special Circumstances" section below or in a separate written agreement and separate fees.
4. Electronically file the tax return and provide you with evidence of acceptance of the electronic filing, unless paper filing or other arrangements are agreed.
5. Provide an electronic copy of all filings via secure private online document portal or encrypted e-mail. A paper copy of the tax return is available on request at an additional fee of \$50.
6. Communicate with you directly in person, by telephone, text message and/or email during the engagement, about the status of your tax return. Personal Private information will not be transmitted unsecured. If you send Personal Private information through an unsecured channel, you do so at your own risk.
7. Retain and securely store copies of records used in the preparation of your income tax return and copies of your income tax return for at least as long as the period required by law.

LIMITATIONS OF WORK: My work in connection with the preparation of your income tax returns does not include any procedures or work on any tax return not listed above. If you have tax filing obligations for other periods of time, in other countries, in other states or tax returns for local governments that are not listed above then we agree that I am not engaged to work on those filings or prepare those tax returns. My work is not designed to discover defalcations or other irregularities, should any exist. We prepare the return(s) solely on the information you provide. 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, I will resolve such questions in your favor whenever possible. Additional Accounting work, if necessary, will be billed under a separate agreement.

8. Your tax return(s) will NOT be filed until payment for services rendered is received in full. You will be provided a copy of your return once filed, per applicable law.

YOUR RESPONSIBILITIES: You are responsible for providing required tax documents and other information that may be requested. We will depend on you to provide the information needed to prepare complete and accurate returns. I may ask you to clarify some items but will not audit or otherwise verify the data you submit. Review all tax-return documents carefully before signing them.

We generally require a copy of your personal identification each year to meet the government's new identity theft prevention requirements. Also, if you plan to pay or receive a tax amount by electronic transaction, then I need your bank account number and routing number.

PRIVACY AND SECURITY: I follow a privacy and security policy that meets or exceeds industry standards. The policy is available online at <https://the-tenthman.com/privacy-policy> and is not produced here. If you want an electronic or paper copy of the policy, please let me know. You are not required to adhere to any specified privacy and security standard. You may take the lead in modifying the standard and I may follow your lead. For example, if you ask a question about your taxes in a public area and I answer, then that changes the level of privacy. You may submit documents via text message and I may respond to the same text message number with personal tax information.

**PASSWORD PROTECTED DOCUMENTS:** Documents that I send may be protected by a password. If applicable, the password will be provided separately in a manner of your choosing, be it by text, email (secured or unsecured) or by a telephone call.

**ONLINE DOCUMENT HANDLING:** You can send electronic documents in any format via text, email, or online. Be aware that some of these methods may not be secured and if you use these options, it will be at your own risk. I will provide a private secure online portal as the only safest and most reliable way to deliver electronic documents securely. Use of the portal is optional. The preferred and most common electronic document handling method is a cell phone scanner app that converts photos to a PDF file.

**DOCUMENT RETENTION:** I will retain and securely store electronic copies of your records that I use for my work and our own work papers used for your engagement for seven years. Copies of these or paper printouts of these complete documents are available at an additional fee of \$50. There is no extra charge for an electronic copy of a single document, for example, a copy of last year's W-2. I do not keep paper copies of any documents. I do not keep electronic copies of any documents that you may provide that are not used in my work.

**PAPER DOCUMENT HANDLING:** If we accept any original paper records from you, they will be returned to you as soon as possible. You should store your original paper records, along with all supporting documents, canceled checks, etc., as these items may later be needed to prove accuracy and completeness of a tax return. I recommend that you scan and save electronic copies of all original paper documents as part of an ongoing functional accounting system and I offer help with setup of this service or "catch up" on this on request. I recommend that you install and use document scanning and storage systems that are available for smartphones. Otherwise, I do not keep copies of original paper documents. If you require paper copies of documents then you authorize my use of a third-party document printer, like a print shop, and accept the security risks that may be associated with paper documents. There is a charge for handling, copying, scanning, and mailing paper copies of documents. If you have not selected to e-file your returns with our office, you will be solely responsible to mail the tax returns with the appropriate taxing authorities unless we make other written recommendations.

**TIMING OF WORK:** Timing of this engagement is critical. Unless otherwise stated as described under the "Special Circumstances" section below, completion of this work is expected on or before the filing due date. The work under this engagement starts when the agreement is signed and delivered and payment of the online invoice is received. The timing of completion of work is largely dependent on the date of delivery of requested information. I will communicate in writing of the expected completion of work date, review date and the filing date. I will also communicate any change in the expected dates in writing within 48 hours of any such change.

#### **D) FEES AND PAYMENT**

**FEE:** The fee is communicated separately in an electronic invoice from me that becomes part of this agreement by reference. In the event that the timing of the work plan is changed, the fee may be raised by agreement to include a surcharge during rush periods that typically occur before tax filing deadlines.

**FEE SCHEDULE:** The fee is based on a sample fee schedule that is published online at: <https://the-tenthman.com/pricing> and available on request as the base fee and then is customized to incorporate the specific details and timing of our work plan for your specific circumstances.

**ADDITIONAL FEES:** Unless we have reached another fee arrangement in writing, an additional fee of \$25 applies if payment is made in cash, manual check, or if payment is not made prior to the end of the engagement. Additional fees apply to paper handling as described below. If a fee remains unpaid 15 days after the end of engagement an additional fee applies and the account is then managed by a separate account receivables contractor. There will be an additional fee of \$30 per ten minutes spent if total number or time spent in communications of all types (in-person, email, telephone, and text messages) between us on the work on this engagement is significantly more than normal for this type of work. An extension filing fee of \$25 applies if we are unable to meet the tax filing deadline due to late arriving information.

**FINANCE AND COLLECTION CHARGES:** A finance charge of one and one half percent (1½) per month, which is an annual percentage rate of eighteen (18) percent, is charged on past due balances. In addition to the above, if outside services, agents or legal counsel are assigned to collect any past due balance(s), the customer agrees to pay our collection fees which are 50% of the outstanding balance plus any other expenses incurred as a result of the collection process including court costs, cost of service etc. In addition to this, all discounts provided will be voided and balances will become due in full.

**COST-SAVING MEASURES:** The lowest fee quoted in the Fee Schedule or Original Invoice presumes the use of cost-saving measures including the use of a tax organizer document or online accounting software, online document storage and transfer, avoidance of paper documents, electronic invoice and payment, without additional accounting services or out-of-pocket expenses. You are not required to use these cost-saving tools, however, but I want you to know how these technologies affect the price of tax services. If cost-saving measures are not used, my fee will reflect the higher costs.

For example, the original invoiced cost assumes payment through online electronic funds transfer (an electronic check or bank debit transaction). If you want to use a credit card payment instead, an additional fee not to exceed 5% will be added to a revised invoice that accepts credit card payments.

**THIRD PARTY PAYMENTS AND DISCOUNTS:** I try to negotiate discounts on products and services that I purchase and offer to sell to you and, whenever possible, I try to receive a commission or referral fee for products and services that I recommend to you. Any discount or payment that I receive is considered in the overall price of future services that I offer to you as an additional cost saving measure. You have a right to know the specific details of the discount I receive or fee that I am paid by a third party, however, I often do not know this in advance of a transaction so this is disclosed and incorporated into the next practical engagement agreement.

**PAYMENT:** Payment is due immediately; typically during the final stages of the engagement but before filing of the returns. Invoicing could be earlier and payment could be due earlier for new clients or under other circumstances. The invoice is usually sent by email that can be quickly and securely paid online by following the instructions on the invoice. Payment may be made through the secure 3rd party payment processing system linked to the invoice. Most clients use the “click and pay” feature from the electronic invoice. You may elect to initiate payment through another payment processor of your choice like Zelle to: [odeleon@the-tenthman.com](mailto:odeleon@the-tenthman.com) which is the preferred method.

**DISCOUNT OR REFUND FOR REFERRALS:** The tax preparer’s fee under this agreement will be fully discounted (or refunded if already paid) to you upon completion of four comparable new client referrals

to us. Other fees that are not for tax preparation services are not included. A referral form is included with the delivery of tax return documents.

#### **E) AFTER END OF AGREEMENT**

**END OF ENGAGEMENT:** Our engagement ends with the delivery of the completed tax return(s) to you for paper filings or our confirmation of filing of your tax return for e-filed tax return(s).

**EARLY END OF ENGAGEMENT:** In the event that either of us encounters unexpected difficulties in completing the tasks anticipated under this agreement, we may opt to end this engagement before the time described above in the “End of Engagement” section by giving written notice. There may or may not be a reason stated for the early termination and we may recognize that a termination without stated reason is in our collective best interests to avoid further conflict. In the event of early termination, the fee for the engagement will be reduced to half of the amount described in the “Fee” section above. All work will stop at the point of notice and provisions included in the “Work to be Completed” section above will no longer apply. Both of us acknowledge that these simple provisions in this “Early End of Engagement” section are intended to be used as a previously agreed compromise agreement to resolve a potentially stressful situation in the event of unforeseen circumstances.

**POST-FILING QUESTIONS:** Sometimes questions arise after the end of this engagement because of a communication from a tax authority or some other reason. In this case, I may be available upon request to provide additional service. Letters from IRS, state and local tax authorities are common and do not always require the re-engagement of a tax professional. I may require a new engagement agreement and fee to address some types of questions.

**POST-ENGAGEMENT LOCAL TAXES:** Unless otherwise agreed, this engagement includes the calculation and preparation of a local tax return, if applicable, but does not include the online filing or paper filing of a local tax return. In most cases it is easier and more efficient for you to do this yourself and most clients prefer this method. I am available to perform additional services on local tax filings. Work on a local tax issue after the completion and delivery of the tax return as described here is considered to be after the end of the engagement.

**RE-OPENING AND AMENDING THE TAX RETURN:** In some cases, it becomes necessary or advisable to respond to a notice or to amend the tax return. In this case, I may be available upon request to provide additional service. The terms of this service and the cost of this service are not covered in this engagement agreement. Please be aware that the cost of amending a tax return can be substantial; sometimes exceeding the cost of the original tax return preparation.

**IN THE EVENT OF AUDIT:** Your returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. The procedures and fees for representing you in an audit are not included in this agreement and no assurance is provided in this agreement that I will be available for representation in an audit.

**PENALTIES:** The law imposes penalties when taxpayers underestimate their tax liability. Please call me if you have concerns about such penalties. Should we encounter instances of unclear fact or tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and

the risks and consequences of each. We will ultimately adopt the alternative you select. I do not assume the cost or risk of tax penalties that may be imposed.

OTHER ADVICE: During the work of accounting I am likely to find other financial and accounting topics that we should discuss. The results of these possible additional discussion and any resulting work stemming from those discussions are not covered in this letter.

**F) MISCELLANEOUS PROVISIONS**

SPECIAL CIRCUMSTANCES: Unique circumstances affecting this engagement may be discovered after the signing of this agreement. These may be listed below or confirmed separately in writing between us and are incorporated by reference into the overall agreement.

Special circumstances known at the time of drafting of this agreement and included in this agreement:

ELECTRONIC SIGNATURE: To affirm that this letter correctly summarizes your understanding of the arrangements for this work, please sign and upload a copy of this letter in its entirety to the secure portal in order for processing to begin.

Agreed on

Date

Taxpayer 1

Taxpayer 2