



**Subject: Engagement Letter for Preparation of Individual Tax Returns**

Thank you for choosing me to assist you with the review of the tax notice you have received. This engagement letter outlines the terms and scope of my services, my respective responsibilities, and the fee arrangement for this engagement. Please review this letter carefully and provide your signature to confirm your acceptance of the terms.

**Limitations**

Beginning with tax year 2025 I will prepare your federal, state and applicable municipal individual income tax returns from information you furnish.

**Scope of Services**

I will not audit or otherwise verify the data you submit. I will not prepare any other return, or perform any other service for you, unless I am otherwise engaged. Fees charged for tax return preparation do not include audit representation or preparing materials to respond to correspondence from taxing authorities nor cover assistance and consultation during the year. My fees for such services will be charged separately at my hourly rates.

My services are not designed to discover errors, fraud or theft; however, if any such issues are found in the course of preparing your returns, I will discuss my findings with you and advise you on corrective actions you may want to pursue.

I will use my judgment to resolve questions in your favor where a tax law is unclear if there is a reasonable justification for doing so. Whenever I am aware that applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts), I will explain the possible positions that may be taken on your return. In accordance with my professional standards, I will follow whatever position you request, as long as it is consistent with the codes, regulations, and interpretations that have been promulgated. If the IRS should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. I assume no liability for any such additional penalties or assessments. In the event, however, that you ask me to take a tax position that in my professional judgment will not meet the applicable laws and standards as promulgated, I reserve the right to stop work and shall not be liable to you for any damages that occur as a result of ceasing to render services.

**Client Responsibilities**

You are responsible for providing accurate information and source documents. I will provide a "tax questionnaire" for you to facilitate the gathering of the necessary documents and information needed for use in the preparation of your tax returns. You agree to cooperate in completing the questionnaire and make available to me complete, authentic and accurate records. I may ask you to further clarify information or provide additional documentation to substantiate the income, deductions or credits taken on your returns.

## Timing

I will fulfill this engagement as promptly as possible, once you have provided information to substantiate your income, deductions, tax credits and other information necessary to satisfactorily complete your return(s). This is typically two to three weeks but is dependent on a number of factors. If your returns cannot be completed within two weeks that such information has been provided, I will email you a status update as to the progress of the work.

Your prompt response to emails, phone calls or other communications is necessary to reduce turnaround time. If complete and accurate returns cannot be prepared to be timely filed, I will calculate any tax liabilities due with the information available, and if applicable provide you with payment instructions to make timely payments of your tax liabilities due, if applicable. I will electronically file all federal and state filing extensions. Note: a properly filed tax extension allows additional time to file your returns but does not extend the time to pay tax liabilities that may be due by the original due date of the return. Late payment of tax liabilities may result in penalties and/or interest being assessed to you. If you need your tax returns completed by a specific date, please notify me in writing – an additional fee may be applied to expedite your returns.

## Filing of Returns

Once the returns are completed, I will ask you and if applicable, the secondary taxpayer listed on the return, to sign a Federal Form 8879 E-file Authorization form and if applicable, the related state(s) E-file authorization form(s). Your returns cannot be filed until the signed E-file authorization form(s) is received. As such, failure to complete the filing process in a timely manner may result in penalties and interest being imposed by the taxing authorities for which you accept full responsibility.

If you submit the signed E-filing authorization(s) to my office in such a way that doesn't allow the me to timely file your return (by 3 pm EST on the due date of the return), you will be responsible for all penalties and/or interest resulting from failure to file timely. Further, it is your responsibility to be sure your contact information is up to date. This includes your phone number(s), your email address, your mailing address or any other contact information needed to communicate with you. You agree that it is your responsibility to pay any and all taxes due, in the manner for which they are due to be paid. You also agree that failing to file the return (via efile or otherwise) caused by action, or lack of action on your part may cause penalties and interest to be imposed by the taxing authority(ies) for which you accept full responsibility. I have a right to withdraw from the engagement for any reason, including, but not limited to, failure to pay, failure to provide timely information, failure to provide accurate information, etc.

## Fees and Payment

I base fees on time required at my regular rates for the type of services plus out-of-pocket costs. Multi state and/or municipalities, or other filings, may also increase your fee. I also give consideration to the difficulty and size of the assignment, the degree of skill required, time limitations imposed by others, the nature of the project, the level of cooperation of others and the value of the services. Payment for service is due upon completion of requested work. and must be paid before your tax return is delivered to you or filed for you. If you terminate this engagement before completion, you agree to pay a fee for work completed. I will let you know if the circumstances of the engagement merit a prepayment. Interim billings may be submitted as work progresses and expenses are incurred. I reserve the right to stop work on any account that is 30 days past due, in accordance with my stated collection policy. A nonsufficient fund payment will result in a \$35 fee being charged. In some circumstances, this fee may be waived.

If any dispute arises between the parties, from my professional services, or under this engagement letter, the parties agree—as a condition precedent to filing suit—to first submit the dispute to non-binding mediation administered by an agreed-upon third party. At the mediation, the parties agree to make a good faith attempt to settle the dispute. I will together pay half the cost of the mediation, and the claimants shall pay the other half.

## Record Retention

It is my policy to keep records related to this engagement for seven years, after which they will be destroyed. I do not keep any original client records, so those will be returned to you at the completion of the annual service rendered

under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

### **Confidentiality**

I will maintain the confidentiality of your information in accordance with applicable laws and professional standards. No information will be disclosed without your explicit consent, except as required by law.

### **Termination**

This Engagement Letter will remain in effect for all future tax years unless modified, in which case, you will be asked to sign a new agreement. At any time, either party may terminate this agreement by providing written notice. You will be responsible for payment of fees for services rendered up to the date of termination.

### **Acknowledgment and Agreement**

By signing below, you acknowledge that you have read, understand, and accept your obligations and responsibilities and that you understand my responsibility in preparing your tax returns as explained above. If you have any questions or require clarification, please contact me before signing. Note: work cannot begin until a signed letter has been received.

I appreciate the opportunity to assist you and look forward to working with you.

Sincerely,

**Christina Kanagaratnam, EA**

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### **Acknowledgment and Acceptance**

If the above fairly sets forth your understanding, please sign this letter and return it with your tax documents. For a joint return, both taxpayers must sign.

I (We), acknowledge and agree to the terms of this engagement letter.

**Taxpayer Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Name Printed:** \_\_\_\_\_

**Spouse Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Name Printed:** \_\_\_\_\_