

**Parkers Prairie Tax Service**  
**PO Box 53**  
**Parkers Prairie, MN 56361**  
**218-338-6078**

Dear Tax Client:

This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom returns are prepared to confirm the following arrangements.

We will prepare your 2021 federal and state income tax returns from information which you will furnish to us. We will not audit or otherwise verify the data you submit, although it may be necessary to ask you for clarification of some of the information. We will furnish you with questionnaires and worksheets to guide you in gathering the necessary information. Your use of such forms will assist in keeping the fee to a minimum.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You should retain all the documents, cancelled checks and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations and/or irregularities, should any exist. We will render such accounting and bookkeeping assistance as determined to be necessary for preparation of the income tax returns.

The law provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on the amount or the circumstances of these penalties, please contact us.

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. In the event of such government tax examination, we will be available upon request to represent you and will render additional invoices for the time and expenses incurred.

Our fee for these services will be based upon the amount of time required at standard billing rates plus out-of-pocket expenses. **Payment is required before your return can be considered complete, and therefore, it will not be filed or released without payment.** Cash or checks are all acceptable payment methods. If your check bounces, you will be subject to a \$35 returned check charge. **We are not a document storage facility; it is YOUR responsibility to keep your records. You will be provided with one copy of your tax return, if additional copies are needed a minimum \$50 fee per return will be charged.**

If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter in the space indicated and return it to our office. However, if there are other tax returns you expect us to prepare, please inform us by noting so at the end of the return copy of this letter.

We want to express our appreciation for this opportunity to work with you.

Sincerely,

*Parkers Prairie Tax Service*

Your Signature: \_\_\_\_\_

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

## Questions

**Please check the appropriate box and include all necessary details and documentation.**

### Personal Information

NO YES

- Did your marital status change during the year? **If yes, explain:**  NO  YES
- Did you live separately from your spouse during the last six months of the year?  NO  YES
- Do you have a separate decree, instrument, or agreement and are not living in the same household by the end of the year?  NO  YES
- Did your address change from last year? **If yes, new address:**  NO  YES
- Can you be claimed as a dependent by another taxpayer?  NO  YES
- Did you change any bank accounts, or did routing transit numbers (RTN) and/or bank account number change for existing bank accounts that have been used to direct deposit (or direct debit) funds from (or to) the IRS or other taxing authority during the tax year?  NO  YES
- Do you/spouse, and any dependents have a taxpayer identification number (SSN, ITIN, or ATIN)?  NO  YES
- Did you receive an Identity Protection PIN (IP PIN) from the IRS or have you been a victim of identity theft? **If yes, attach the IRS letter.**  NO  YES
- Did you reside in or operate a business in a Federally declared disaster area?  NO  YES
- The Federally declared disaster areas include victims of hurricanes, tropical storms, floods, as well as wildfires.
- Did your drivers license expire, change or are you a new client? **If yes, copies needed**  NO  YES

### COVID-19 Information

NO YES

- Did you receive an Economic Impact Payment (EIP3) as reported on Notice 1444-C?  NO  YES
- Please provide copies/amounts: Stimulus Payment #3 - \$**
- Did you receive an adjustment to your refund or balance due for the exclusion of unemployment compensation and/or Advance Premium Tax Credit as a result of the American Rescue Plan Act (ARPA)? **If yes, copies needed of notice**  NO  YES
- Did you receive advanced Child Tax Credit (CTC) payments in July, August, September, October, November, and December? **If yes, provide dates & amounts for every payment received**  NO  YES
- Did you receive a Paycheck Protection Program (PPP) loan?  NO  YES
- If yes, did you apply for Paycheck Protection Program (PPP) loan forgiveness?**  NO  YES
- Are you a telecommuting employee that was required to "shelter in place" due to local COVID-19 protocols while working in a state that was not your home state?  NO  YES
- Did you receive emergency leave sick pay?  NO  YES
- Did you receive emergency family leave wages?  NO  YES
- Did you receive any special unemployment benefits or compensation under the Coronavirus Relief Act during the year?  NO  YES
- If you are self-employed, were you unable to perform your self-employed activities due to coronavirus related care you needed?  NO  YES
- If you are self-employed, were you unable to perform your self-employed activities due to coronavirus related care you provided to your son or daughter under the age of 18?  NO  YES
- If you are self-employed, were you unable to perform your self-employed activities due to coronavirus related care you provided to another?  NO  YES

### Dependent Information

NO YES

- Were there any changes in dependents from the prior year? **If yes, explain:**  NO  YES
- Do you have any children under age 19 or a full-time student under age 24 with unearned income in excess of \$2,200?  NO  YES
- Do you have dependents who must file a tax return?  NO  YES
- Did you provide over half the support for any other person(s) other than your dependent children during the year?  NO  YES
- Did you pay for child care while you worked, looked for work, or while a full-time student?  NO  YES
- Is there any other person(s) who lived with you more than half the year but not claimed by you last year?  NO  YES
- Did you pay any expenses related to the adoption of a child during the year?  NO  YES
- If you are divorced or separated with child(ren), do you have a divorce decree or other form of separation agreement which establishes custodial responsibilities?  NO  YES
- Did any dependents receive an Identity Protection PIN (IP PIN) from the IRS or have they been a victim of identity theft? **If yes, attach the IRS letter.**  NO  YES

### Purchases, Sales and Debt Information

NO YES

- Did you start a new business or purchase rental property during the year?  NO  YES
- Did you sell, exchange, or purchase any assets used in your trade or business?  NO  YES
- Did you acquire a new or additional interest in a partnership or S corporation?  NO  YES
- Did you sell, exchange, or purchase any real estate during the year?  NO  YES
- Did you purchase or sell a principal residence during the year?  NO  YES
- Did you foreclose or abandon a principal residence or real property during the year?  NO  YES
- Did you acquire or dispose of any stock during the year?  NO  YES
- Did you take out a home equity loan this year?  NO  YES

Did you refinance a principal residence or second home this year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you sell an existing business, rental, or other property this year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you lend money with the understanding of repayment and this year it became totally uncollectable?	<input type="checkbox"/>	<input type="checkbox"/>
Did you have any debts canceled or forgiven this year, such as a home mortgage or student loan(s)?	<input type="checkbox"/>	<input type="checkbox"/>
Did you purchase a qualified plug-in electric drive vehicle or qualified fuel cell vehicle this year?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Income Information</b>	<b>NO</b>	<b>YES</b>
Did you have any foreign income or pay any foreign taxes during the year, directly or indirectly, such as from investment accounts, partnerships or a foreign employer?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any income from property sold prior to this year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any unemployment benefits during the year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any disability income during the year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any Medicaid waiver payments as difficulty of care during the year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive tip income not reported to your employer this year?	<input type="checkbox"/>	<input type="checkbox"/>
Did any of your life insurance policies mature, or did you surrender any policies?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any awards, prizes, hobby income, gambling or lottery winnings?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any income considered to be nonemployee compensation?	<input type="checkbox"/>	<input type="checkbox"/>
Do you expect a large fluctuation in income, deductions, or withholding next year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you have any sales or other exchanges of virtual currencies (including from an airdrop or a hard fork, or used virtual currencies to pay for goods or services)?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Retirement Information</b>	<b>NO</b>	<b>YES</b>
Are you an active participant in a pension or retirement plan?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any Social Security benefits during the year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you make any withdrawals from an IRA, Roth, myRA, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan?	<input type="checkbox"/>	<input type="checkbox"/>
<i>If yes, were any withdrawals due to a Federally declared disaster or COVID-19?</i>	<input type="checkbox"/>	<input type="checkbox"/>
If you received any qualified disaster retirement plan distributions, did you repay any of the distributions in 2021?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any lump-sum payments from a pension, profit sharing or 401(k) plan?	<input type="checkbox"/>	<input type="checkbox"/>
Did you make any contributions to an IRA, Roth, myRA, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Education Information</b>	<b>NO</b>	<b>YES</b>
Did you, your spouse, or your dependents attend a post-secondary school during the year, or plan to attend one in the coming year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you have any educational expenses during the year on behalf of yourself, your spouse, or a dependent?	<input type="checkbox"/>	<input type="checkbox"/>
<b>If yes, attach any Form(s) 1098-T and receipts for qualified tuition and related expenses</b>	<input type="checkbox"/>	<input type="checkbox"/>
Did anyone in your family receive a scholarship of any kind during the year?	<input type="checkbox"/>	<input type="checkbox"/>
<b>If yes, were any of the scholarship funds used for expenses other than tuition, such as room and board?</b>	<input type="checkbox"/>	<input type="checkbox"/>
Did you make any withdrawals from an education savings or 529 Plan account?	<input type="checkbox"/>	<input type="checkbox"/>
<b>If yes, were any of these withdrawals rolled over into an ABLE (Achieving a Better Life Experience) account?</b>	<input type="checkbox"/>	<input type="checkbox"/>
Did you make any contributions to an education savings or 529 Plan account?	<input type="checkbox"/>	<input type="checkbox"/>
<b>If Yes: Please provide Trustee Name, Account Number, and Dollar Amount</b>		
Did you pay any student loan interest this year? (MN Tax Credit) <b>If yes please provide:</b>		
<b>Amount(s) you paid toward your loan this year and the total original amount of education loans taken out for your education</b>	<input type="checkbox"/>	<input type="checkbox"/>
Did you cash any Series EE or I U.S. Savings bonds issued after 1989?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Health Care Information</b>	<b>NO</b>	<b>YES</b>
Did you have qualifying health care coverage, such as employer-sponsored coverage or government-sponsored coverage (i.e. Medicare/Medicaid) for your family? "Your family" for health care coverage refers to you, your spouse if filing jointly, and anyone you can claim as a dependent. <b>If yes, attach any Form(s) 1095-B and/or 1095-C</b>	<input type="checkbox"/>	<input type="checkbox"/>
Did you enroll for lower cost Marketplace Coverage through <a href="https://www.mnsure.org">MNSure.org</a> under the Affordable Care Act?	<input type="checkbox"/>	<input type="checkbox"/>
<b>If yes, attach any Form(s) 1095-A you received.</b>	<input type="checkbox"/>	<input type="checkbox"/>
Did you enroll for lower cost Marketplace Coverage through healthcare.gov under the Affordable Care Act and share a policy with <u>anyone who is not included in your family</u> ?	<input type="checkbox"/>	<input type="checkbox"/>
Did you make any contributions to a Health savings account (HSA) or Archer MSA?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any distributions from a Health savings account (HSA), Archer MSA, or Medicare Advantage MSA this year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you pay long-term care premiums for yourself or your family?	<input type="checkbox"/>	<input type="checkbox"/>
Did you make any contributions to an ABLE (Achieving a Better Life Experience) account?	<input type="checkbox"/>	<input type="checkbox"/>
<b>If yes, attach any Form(s) 5498-QA you received.</b>	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any withdrawals from an ABLE (Achieving a Better Life Experience) account?	<input type="checkbox"/>	<input type="checkbox"/>

If yes, attach any Form(s) 1099-QA you received.

If you are a business owner, did you pay health insurance premiums for your employees this year?

Did you receive any Health Coverage Tax Credit (HCTC) advance payments?

If yes, attach any Form(s) 1099-H you received.

**Itemized Deduction Information**

NO YES

Did you incur a casualty or theft loss or any condemnation awards during the year?

If yes, did the loss occur in a Federally declared disaster area?

Did you pay out-of-pocket medical expenses (Co-pays, prescription drugs, etc.)?

Did you make any cash or noncash charitable contributions (clothes, furniture, etc.)?

If yes, please provide evidence such as a receipt from the donee organization, a canceled check, or record of payment, to substantiate all contributions made.

Did you donate a vehicle or boat during the year? If yes, attach Form 1098-C or other written acknowledgment from the donee organization.

Did you pay real estate taxes for your primary home and/or second home?

Did you pay any mortgage interest on an existing home loan? If yes, attach any Form(s) 1098 you received.

Did you incur interest expenses associated with any investment accounts you held?

Did you make any major purchases during the year (cars, boats, etc.)?

Did you make any out-of-state purchases (by telephone, internet, mail, or in person) for which the seller did not collect state sales or use tax?

**Miscellaneous Information**

NO YES

Did you make gifts of more than \$15,000 to any individual?

Did you utilize an area of your home for business purposes?

Did you engage in any bartering transactions?

Did you retire or change jobs this year?

Did you incur moving costs because of a permanent change of station as a member of the Armed Forces on active duty?

Did you pay any individual as a household employee during the year?

Did you make energy efficient improvements to your main home this year?

Did you receive a distribution from, or were you a grantor or transferor for a foreign trust?

Did you have 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?

Do you have any foreign financial accounts, foreign financial assets, or hold interest in a foreign entity?

Did you receive correspondence from the State or the IRS?

If yes, explain: \_\_\_\_\_

Do you have previous years of tax returns that are either unfiled or filed with unpaid balances due?

Do you want to designate \$3 to the Presidential Election Campaign Fund? If you check yes, it will not change your tax or reduce your refund.

Do you want to donate to the MN Wildlife Checkoff? If you check yes, it WILL change your tax due or reduce your refund by the amount donated

Did you receive the First Time Homebuyer Credit in 2008 and are paying back \$500 per year?

Were you a resident of another state or part-year resident of MN? If yes, Need Dates of Residency/States

Did you receive welfare, VA benefits, or any other nontaxable income?

Did you receive a property tax refund last year? If yes amount received \$ \_\_\_\_\_

K-12 Education Expenses? Fine arts, music, books, school supplies, equipment. If yes, fill out the MN worksheet

Do you receive a military retirement pay (including pensions)?

Did you contribute/withdraw from a First-Time Homebuyer Savings Account?

**IF YOU OWE US TREASURY OR MN REVENUE, HOW DO YOU WANT TO MAKE THE PAYMENT?**

CIRCLE YOUR CHOICE:

Write a Paper Check

Make your OWN Payment Online

Do you be interested in doing your tax return digital? You uploading your documents, digital deliver, digital signing? N / Y

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Contact Phone Number: \_\_\_\_\_

Contact Email: \_\_\_\_\_

Further Notes or Questions: