

**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. 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 2022 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, check, credit card, or direct debit 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*

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

Spouse 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? <b>If yes, explain</b> .....	_____	_____
Did you live separately from your spouse during the last six months of the year? .....	_____	_____
Do you have a separate decree, instrument, or agreement and are not living in the same household by the end of the year? .....	_____	_____
Did your address change from last year? <b>If yes, new address:</b> .....	_____	_____
Can you be claimed as a dependent by another taxpayer? .....	_____	_____
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? .....	_____	_____
Do you, your spouse (if applicable), and any dependents have a taxpayer identification number (SSN, ITIN, or ATIN)? .....	_____	_____
Did you receive an Identity Protection PIN (IP PIN) from the IRS or have you been a victim of identity theft? <b>If yes, attach the IRS letter for filing returns in 2022:</b> .....	_____	_____
Did you reside in or operate a business in a Federally declared disaster area? .....	_____	_____
The Federally declared disaster areas include victims of hurricanes, tropical storms, floods, as well as wildfires. ....	_____	_____
Did your driver's license expire, change or are you a new client? <b>If yes, copies needed</b> .....	_____	_____

## COVID-19 Information

	No	Yes
Did you receive State and Local Fiscal Recovery Funds (SLFR) under a program to support those negatively impacted by the COVID-19 pandemic for helping you with your mortgage insurance and/or home purchases, such as funds to pay some or all of the down payment and closing costs associated with your purchase of a home? <b>If yes, copies needed of notice</b> .....	_____	_____
Did you receive a Paycheck Protection Program (PPP) loan? .....	_____	_____
<b>If yes</b> , did you apply for Paycheck Protection Program (PPP) loan <u>forgiveness in 2022</u> ? .....	_____	_____
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? .....	_____	_____
Did you pay emergency sick leave wages to a household employee? .....	_____	_____
Did you pay emergency family leave wages to a household employee? .....	_____	_____
Did you receive any special unemployment benefits or compensation under the Corvid Relief Act during the year? .....	_____	_____

## Dependent Information-If yes; Dependent Questionnaire Needed

	No	Yes
Were there any changes in dependents from the prior year? <b>If yes, explain:</b> .....	_____	_____
Do you have any children under age 19 or a full-time student under age 24 with unearned income in excess of \$2,300? .....	_____	_____
Do you have dependents who must file a tax return? .....	_____	_____
Did you provide over 1/2 support for any other person(s) other than your dependent children during the year?....	_____	_____
Did you pay for childcare while you worked, looked for work, or while a full-time student? <b>If yes, please provide the detail tax/payment statement:</b> .....	_____	_____
Is there any other person(s) who lived with you more than half the year but not claimed by you last year? .....	_____	_____
Did you pay any expenses related to the adoption of a child during the year? .....	_____	_____
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? .....	_____	_____
Did any dependents receive an Identity Protection PIN (IP PIN) from the IRS or have they been a victim of identity theft? <b>If yes, attach the IRS letter for use during 2022:</b> .....	_____	_____

## Purchases, Sales and Debt Information

	No	Yes
Did you start a new business or purchase rental property during the year? .....	_____	_____
Did you sell, exchange, or purchase any assets used in your trade or business? .....	_____	_____
Did you acquire a new or additional interest in a partnership or S corporation? .....	_____	_____
Did you sell, exchange, or purchase any real estate during the year? .....	_____	_____
Did you purchase or sell a principal residence during the year? .....	_____	_____
Did you foreclose or abandon a principal residence or real property during the year? .....	_____	_____
Did you acquire or dispose of any stock during the year? .....	_____	_____
Did you take out a home equity loan this year? .....	_____	_____
Did you refinance a principal residence or second home this year? .....	_____	_____
Did you sell an existing business, rental, or other property this year? .....	_____	_____

Did you lend money with the understanding of repayment and this year it became totally uncollectable?..... \_\_\_\_\_  
Did you have any debts canceled or forgiven this year, such as a home mortgage or student loan(s)?..... \_\_\_\_\_  
Did you purchase a qualified plug-in electric drive vehicle this year? ..... \_\_\_\_\_

### Income Information

No Yes

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? ..... \_\_\_\_\_  
Did you receive any income from property sold prior to this year? ..... \_\_\_\_\_  
Did you receive any unemployment benefits during the year? ..... \_\_\_\_\_  
Did you receive any disability income during the year? ..... \_\_\_\_\_  
Did you receive any Medicaid waiver payments as difficulty of care during the year? ..... \_\_\_\_\_  
Did you receive tip income not reported to your employer this year?..... \_\_\_\_\_  
Did any of your life insurance policies mature, or did you surrender any policies? ..... \_\_\_\_\_  
Did you receive any awards, prizes, hobby income, gambling, or lottery winnings? ..... \_\_\_\_\_  
Did you receive any income considered to be nonemployee compensation? ..... \_\_\_\_\_  
Did you receive a Form 1099-K, 1099-MISC, 1099-NEC, or other income statement for work done in what is commonly referred to as the "gig" economy? ..... \_\_\_\_\_  
Do you expect a large fluctuation in income, deductions, or withholding next year? ..... \_\_\_\_\_  
Did you have any sales or other exchanges of digital assets (including from an airdrop or a hard fork), or used digital assets to pay for goods or services? ..... \_\_\_\_\_

### Retirement Information

No Yes

Are you an active participant in a pension or retirement plan? ..... \_\_\_\_\_  
Did you receive any Social Security benefits during the year? ..... \_\_\_\_\_  
Did you make any withdrawals from an IRA, Roth, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan?..... \_\_\_\_\_  
**If yes, were any withdrawals due to a Federally declared disaster?.....** \_\_\_\_\_  
**If you received any qualified disaster retirement plan distributions, did you repay any of the distributions in 2022?** ..... \_\_\_\_\_  
Did you receive any lump-sum payments from a pension, profit sharing or 401(k) plan? ..... \_\_\_\_\_  
Did you make any contributions to an IRA, Roth, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan? . \_\_\_\_\_

### Education Information-If yes; College Education Questionnaire Needed

No Yes

Did you, your spouse, or your dependents attend a post-secondary school during the year, or plan to attend one in the coming year? ..... \_\_\_\_\_  
Did you have any educational expenses during the year on behalf of yourself, your spouse, or a dependent? ..... \_\_\_\_\_  
**If yes, attach any Form(s) 1098-T and receipts for qualified tuition and related expenses.**  
Did anyone in your family receive a scholarship of any kind during the year?..... \_\_\_\_\_  
**If yes, were any of the scholarship funds used for expenses other than tuition, such as room and board? .....** \_\_\_\_\_  
Did you make any withdrawals from an education savings or 529 Plan account? ..... \_\_\_\_\_  
**If yes, were these withdrawals rolled over into an ABLE (Achieving a Better Life Experience) account? .....** \_\_\_\_\_  
Did you make any contributions to an education savings or 529 Plan account?..... \_\_\_\_\_  
**If Yes: Please provide Trustee Name, Account Number, and Dollar Amount.**  
Did you pay any student loan interest this year? (MN Tax Credit) If yes please provide: ..... \_\_\_\_\_  
**Amount(s) you paid toward your loan this year and the total original amount of education loans taken out for your education:** ..... \_\_\_\_\_  
Did you cash any Series EE or I U.S. Savings bonds issued after 1989? ..... \_\_\_\_\_

### Health Care Information

No Yes

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. .... \_\_\_\_\_  
Did you enroll through **MNSure.org** or Marketplace Coverage **through healthcare.gov** under the Affordable Care Act? **If yes, attach any Form(s) 1095-A you received.**..... \_\_\_\_\_  
Did you enroll through **MNSure.org** or Marketplace Coverage **through healthcare.gov** under the Affordable Care Act and share a policy with anyone who is not included in your family? ..... \_\_\_\_\_  
Did you make any contributions to a Health savings account (HSA) or Archer MSA? ..... \_\_\_\_\_  
Did you receive any distributions from a Health savings account (HSA), Archer MSA, or Medicare Advantage MSA this year?..... \_\_\_\_\_  
Did you pay long-term care premiums for yourself or your family?..... \_\_\_\_\_  
Did you make any contributions to an ABLE (Achieving a Better Life Experience) account? ..... \_\_\_\_\_  
**If yes, attach any Form(s) 5498-QA you received.**

Did you receive any withdrawals from an ABLE (Achieving a Better Life Experience) account? ..... \_\_\_\_\_

**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? ..... \_\_\_\_\_

### 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? **If yes, attach all Parcel Property Tax Statements for the current tax year; not proposed statements:** ..... \_\_\_\_\_

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.)? Amount of **Sales Tax Paid?** ..... \_\_\_\_\_

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 \$16,000 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? ..... \_\_\_\_\_

Did you receive the MN Frontline Worker Pay Program Payment of \$487.45? ..... \_\_\_\_\_

### HOW DO YOU WANT YOUR TAX RETURN DELIVERED?

CIRCLE YOUR CHOICE: ☐ Paper Pick up

☐ Digital with eSignature

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

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

Further Notes or Questions: