

STEPHANIE DENMAN EA
TAX & BOOKKEEPING SERVICE

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2024 TAX RETURN ENGAGEMENT LETTER

(please sign last page and return)

Date: _____ Client Name(s): _____

1. We are pleased to confirm our understanding of the arrangements for your income tax return(s). This letter confirms the services you have asked our firm to perform and the terms under which we have agreed to do that work. Please read this letter carefully because it is important to both our firm and you that you understand what you can and cannot expect from our work. In other words, we want you to know the limitations of the services you have asked us to perform. If you are confused at all by this letter or believe we have misunderstood what you need, please call to discuss this letter before you sign it.

2. This engagement letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations or agreements, written or oral, regarding these services. It shall be binding on the heirs, successors and assigns of you and us. The Internal Revenue Service imposes penalties on taxpayers, and on us as return preparers, for failure to observe due care in reporting for income tax returns. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to confirm the following arrangements. We will prepare the returns from the information which you will furnish to us. It is your responsibility to provide all the information required for the preparation of complete and accurate returns. We will provide you with questionnaires and/or worksheets as needed to guide you in gathering the necessary information. To the extent we render any accounting and/or bookkeeping assistance it will be limited to those tasks we deem necessary for preparation of the returns.

Tax Preparer Responsibilities

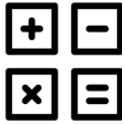
3. We will prepare your 2024 Form 1040 U.S. Individual Income Tax Return and any other 2024 related state returns including the related Federal and state schedules from information you furnish us. We will not audit, review, compile or otherwise verify the data you submit although we may ask you to clarify some of the information. We are not responsible for returns prepared by other preparers. You are responsible for providing our firm with all information necessary to prepare any additional applicable state(s) or local income tax returns as well as informing us of the applicable states.

4. We are responsible for preparing only the specific individual income tax forms for the specific reporting agencies listed in the letter. Any other required services, forms or other actions on our part requires a separate engagement letter. In the absence of written communications from us documenting such services, our services will be limited to and governed by the terms of this engagement letter. Our services are not intended to determine whether you have filing requirements in other taxing jurisdictions from the one(s) you have informed us of. Our firm is available under the terms of a separate engagement letter to provide a nexus study that will enable us to determine whether any other state tax filings are required.

Taxpayer Responsibilities

5. Please note that any person or entity subject to the jurisdiction of the United States (includes individuals, corporations, partnerships, trusts and estates) having a financial interest in, or signature or other authority over, bank accounts, securities, or other financial accounts having an aggregate value exceeding \$10,000 in a foreign country, shall report such relationship. Although there are some limited exceptions, filing requirements also apply to taxpayers that have direct or indirect control over a foreign or domestic entity with foreign financial accounts, even if the taxpayer does not have foreign account(s). Failure to disclose the required information to the U.S. Department of the Treasury may result in substantial civil and/or criminal penalties. Such disclosure includes filing Form 8938 with the Form 1040. If you do not provide our firm with information regarding any interest you may have in a foreign account, we will not be able to prepare any required Income Tax related forms and penalties may be due, for which we have no responsibility. In the absence of such information being provided we will presume you do not have any foreign assets or financial interests and will not file any applicable disclosure forms without separate written authorization. If you and/or your entity have financial interest in any foreign accounts in excess of \$10,000, you are responsible for filing Form FinCen 114 required by the U.S. Department of the Treasury on or before April 15th of each tax year or October 15th with a timely filed extension.

6. You acknowledge that you have reported all the 2024 income you received including barter, consumer-to-consumer activity, cash-based income and all other income whether received in-person, in-kind, or electronically. You also confirm that you have or will timely file any applicable required Forms W-2 and W-3 with the Social Security Administration and IRS for business employees or home-workers. Crypto currency: **Congress and the IRS are very aggressively pursuing cryptocurrency activity, reporting and tax situations. Failure to report crypto-currency activity of any type, including sales, staking, mining, lending, NFT activity, trades and other activities must be reported on your return, so you also acknowledge that you have reported all crypto currency activity to us.**



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Other Items

7. Our fee does not include responding to inquiries or examinations by taxing authorities or third parties, for which you will be separately billed for time and expenses involved. However, we are available to represent you and our fees for such services are at our standard rates and would be covered under a separate engagement letter. You agree to immediately notify us upon receipt of any correspondence from any agency covered by this letter. Please do not respond to or click on any links from emails purportedly from the IRS or State of Arizona as neither taxing authority initiates correspondence via email nor any such emails are attempts to steal your identity. Additionally, in order to protect your identity, we will verify your ID, birthdate and social security number when you call or visit our office.

8. It is your responsibility to maintain for five years from the filing date in your records, the documentation necessary to support the data used in preparing your tax return, including but not limited to the auto, travel, entertainment, and related expenses and the required documents to support charitable contributions. If you have questions as to the type of records required, please ask us for advice in that regard. It is also your responsibility to carefully examine and approve your completed tax returns before signing and mailing them to the tax authorities or efile signature authorization. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest. We will rely, without further verification, upon the information you provide to us from 3rd parties including, but not limited to K-1's, 1099s, 1098s, and receipts and similar items. Failure to file an extension may make you subject to various penalties and interest. Additionally, if your return is extended it does not relieve you from paying any tax due by the due date or making quarterly estimated tax payments for the current year. Failure to pay any tax due with the extension or failure to pay quarterly estimated tax payments may make you subject to various penalties and interest.

9. Business Owners: When a self-employed taxpayer reduces taxable income through tax deductions there is also a reduction in earned income reported to the Social Security Administration, which could reduce current and future benefits for the taxpayer and their dependents. You acknowledge and agree to the current tax reduction and also acknowledge and agree to the potential negative effects on future social security benefits for you, your spouse and any dependents.

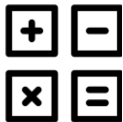
9a. Business Owners: State laws regarding the collection of sales tax by online sellers may require separate registration, collection, filing and payment with many states at very low activity levels. *We were not engaged to, nor did we, determine whether individual state sales tax rules apply to your business. Determination of whether an individual state's sales tax rules apply to your activity are your responsibility unless we have a SEPARATE written engagement letter acknowledging our responsibility to determine or apply sales tax rules for an individual state. Failure to register and file with an appropriate state may expose you to severe penalties.*

10. We will use our professional judgment in preparing your returns. Whenever we are aware that possible applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts), we will explain the possible positions that may be taken on your return. We will adopt whatever you request on your return so long as it is consistent with the codes, regulations, and interpretations that have been promulgated. If the Internal Revenue Service should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any such additional penalties or assessments.

11. New privacy laws were established by the IRS effective as of January 1, 2019, and we are now prohibited from providing confidential information or copies to anyone other than you without your specific written authorization. We restrict access to non-public personal information about you to members of our firm who need to know this information in order to complete the work you have hired our firm to do. We will not disclose your personal and confidential information to anyone outside our firm without your express written permission to do so.

12. It is our policy to keep records related to this engagement for seven years after which they are destroyed. However, we do not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for three years for possible future use, including potential examination by any government or regulatory agencies. Prior to each tax filing season, we send client organizers to most of our clients as a convenience to assist them with gathering their tax information. If you move or do not wish to receive an organizer, please notify us or we will send the organizer to the address we used on your prior year's tax return.

13. From time to time various third parties may request that we sign, for you, some verification of income, employment or tax filing status. Because we were engaged only to prepare your income tax return, without examination, review, audit or verification, our insurance carriers prohibit us from signing any such document.



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14. In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant those emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception of unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In this regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmission, including any consequential, incidental, direct, indirect or special damages, such as loss of revenues or anticipated profits or disclosure or communication of confidential or proprietary information.

15. We appreciate the opportunity to serve you. This agreement is fully and voluntarily entered by the Tax Preparer and the Taxpayer(s). Each Party states that they have read and understands the entirety of this Agreement and executes this Agreement voluntarily.

15. To confirm that you agree with the service and term of this engagement, please date and sign and date where indicated at the bottom of this letter. It is our policy to initiate services after we receive the executed engagement letter. If we do not receive the executed copy of this agreement from you, receipt of your tax return date (and/or organizers, etc). will acknowledge your acceptance of the terms of this agreement. If any provision of this agreement is declared invalid or unenforceable, no other provision of the agreement is affected, and all other provisions remain in full force and effect. Should you have any questions regarding any terms of this engagement, please contact us.

Sincerely,

Stephanie Denman, EA

Accepted by:

client signature

date

client signature

date