

## Mote CPA, P.C. Engagement Letter – Income Tax Return Preparation

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. A copy of this letter is provided to you in our office, on our website [www.MoteCPA.com](http://www.MoteCPA.com) and with your completed tax return.

We will prepare your 2021 federal and requested state income tax returns from information that you will furnish us. We will not audit or otherwise verify the data you submit, although it may be necessary to request clarification of some of the information.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. To be deductible, a business expense must be both ordinary and necessary. An ordinary expense is one that is common and accepted in your trade or business. A necessary expense is one that is helpful and appropriate for your trade or business. You cannot deduct personal, living, or family expenses as a business expense. However, if you have an expense for something that is used partly for business and partly for personal purposes, divide the total cost between the business and personal parts. You can deduct only the business part. It is your responsibility to remove personal, living and family expenses from the business expenses you provide to us. You should retain all the documents, canceled 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. Documentation is required for all deductions. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest. It is our policy to keep records related to this engagement for 3 years. Mote CPA does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. By your acceptance below, you acknowledge and agree that upon the expiration of the 3-year period, Mote CPA shall be free to destroy our records related to this engagement.

**You have the final responsibility for the income tax returns and, therefore, you should carefully review them before you sign and file them. After you have reviewed the returns, you must provide us with a signed authorization indicating that you have reviewed the return and that, to the best of your knowledge, you feel it is correct. Married filing joint tax returns must be signed by both spouses. You may not sign for your spouse without a power of attorney. We cannot transmit the returns to the taxing authorities until we have the signed authorization.**

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations or other irregularities, should any exist. We will use professional 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, we will resolve such questions in your favor whenever possible.

The filing deadline for federal individual (form 1040) and corporate (form 1120) tax returns is April 18, 2022 (March 15<sup>th</sup> for partnerships (form 1065) and S corporations (form 1120-S)). In order to meet this filing deadline, the information needed to complete the return should be received in this office no later than April 5<sup>th</sup>, 2021 (March 5<sup>th</sup> for partnerships and S corporate).

**If an extension of the time is required, any tax due with this return must be paid with that extension. Any amounts not paid by the filing deadline may be subject to interest and late payment penalties. The law provides various penalties that may be imposed when taxpayers understate their tax liability.**

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 governmental 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. All invoices are due and payable upon presentation.

Without a written request from you, we will not prepare any other tax returns including, but not limited to payroll taxes, sales tax, use tax, forms 1099/1096 and excise tax. 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. If there are other tax returns you expect us to prepare, please inform us by noting so just below your signature at the end of the returned copy of this letter. If this office does not receive from you the original of this letter, in fully executed form, but receives from you materials to prepare your tax return, then such receipt by this office shall be deemed to evidence your acceptance of all of the terms set forth above.

Accepted by: \_\_\_\_\_ (Signature) Date \_\_\_\_\_

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