

Victoria Long
MT, CPA, CFP®
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Dear Client;

In 2015 the IRS released new Regulations regarding partnership income tax audits that became effective January 1, 2018, and that **REQUIRE** action on the partnership's part before we file your 2020 Federal income tax return Form 1065.

The new Regulations require that you name the IRS "partner representative" for us to enter in your annual tax return when you are unable to opt out. This "partner representative" will be the sole IRS contact and negotiation person, with additional rights and responsibilities so the decision must be made with legal counsel. We are unable to prepare your return without you providing this designation in writing.

We are unable to act as, or designate, the partner representative because of liability insurance requirements. If you do not name the partner representative, we will leave that line of your return blank, and the IRS may name anyone they choose, *including a non-owner*, to act as partner representative, which could have a disastrous effect upon the partnership as a whole and the partners individually. Again, YOU must designate the partner representative for us in writing below.

Your company must meet with an attorney to update any partnership agreements to name the IRS "partner representative" and to address numerous issues such as potentially making the "push-out" election, fiduciary and notification requirements of the partner representative, potential partner indemnification agreements, and other issues.

By signing you affirm that you are an authorized member of the LLC with the authority to designate or name the partner representative.

Partner Representative Declaration Continued

We want to thank you for taking the time to update our records in writing. We will maintain a copy of this correspondence in your permanent information file and should anything change, please notify us immediately.

We hereby name _____ as partner representative of

(Please print the legal name of the Partnership, or Limited Liability Company above.)

Named by: _____

Signature: _____

Date: _____

Sincerely,

A handwritten signature in cursive script that reads "Victoria Long".

Victoria Long
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