

WAYNE ERDMAN C.P.A., INC.

CLIENT ENGAGEMENT LETTER: FORM 1040 TAX YEAR 2019

Subject: Preparation of Your Individual Tax Returns

Dear 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 2019 federal, state, local 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 misappropriation of funds and/or irregularities, should any exist. The only accounting or analysis work we will do is that which is necessary for preparation of the income tax returns.


The law provides various penalties that may be imposed when taxpayers understate their tax liability. We insist that all reportable transactions be properly disclosed to us. This includes disclosure of any foreign bank accounts that you have an interest in or signature authority over. If you are unclear about whether any foreign accounts you have require disclosure, please contact us. This also includes virtual currency transactions. We assume you do not have any foreign accounts or virtual currency transactions unless you tell us otherwise.

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 tax preparation services will be based upon the amount of time required at our standard billing rates plus out of pocket expenses. We prefer when possible, that you come in to pick up your completed tax returns. All invoices are due and payable upon presentation.

If the foregoing fairly sets forth your understanding, please sign below in the space indicated and return it to our office.

Thank you for the opportunity to work with you.

  
Wayne Erdman, CPA

\_\_\_\_\_  
Taxpayer

Date \_\_\_\_\_

\_\_\_\_\_  
Spouse

PLEASE PRINT YOUR LAST NAME \_\_\_\_\_