



McCAULEY  
NICHOLSON & PREDER  
*Certified Public Accountants*

- Member American Institute of Certified Public Accountants
- Member Arizona Society of Certified Public Accountants

January 2019

Engagement Letter for Individual Income Tax Services,

To minimize the possibility of a misunderstanding between us, we are setting forth pertinent information about the services we will perform for you.

We will prepare your 2018 Federal and requested state income tax returns from information which you will furnish to us. We will not audit or otherwise verify the data you submit, although we may ask you to clarify some of it or furnish us with additional data.

If you request, we will also prepare your estimated tax vouchers for 2019. Please advise us if you anticipate substantially lower income for 2019, a change in withholding taxes, or a significant increase in your 2019 income. Should this occur later in the year, please advise us at that time.

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 an organizer to guide you in gathering the information. You represent that the information you are supplying to us is accurate and complete, to the best of your knowledge, and that your deductions are supported by records as required by law. You should retain all the documents, receipts, canceled checks, and other data that form the basis of your 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 and file them.

If you have any foreign interests or assets, you must notify us in writing. We will use the information which you provide to calculate any applicable federal or state foreign tax credit or other affected federal or state income tax items. However, you are responsible for meeting any foreign country income tax and other obligatory reporting requirements that accompany holding of such foreign assets and interests.

Fees for our services will be billed at our standard rates plus out-of-pocket expenses. Payment for service is due when rendered and interim billings may be submitted as work progresses and expenses are incurred. We reserve the right to stop work on any account that is 45 days past due, in accordance with our firm's stated collection policy.

It is our policy to keep records related to this engagement for three years. However, McCauley, Nicholson & Preder, CPAs does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. Although a copy of your tax return and copies of certain source documents are stored in SmartVault, our firm does not "host" your tax data. It is your responsibility to retain and protect your original source documents and records for possible future use, including potential examination by any government or regulatory agencies. By your signature below, you acknowledge and agree that upon the expiration of the three-year period, McCauley, Nicholson & Preder, CPAs shall be free to destroy our records related to this engagement.

**For drop-offs received in our office between March 30<sup>th</sup> and April 15<sup>th</sup>, we cannot guarantee completion by April 15<sup>th</sup>. If completed by April 15<sup>th</sup>, a 25% surcharge will be added to your preparation fee.**

**We will not file extensions for personal tax returns.** If you require an extension, you are responsible for filing your own extension forms. Keep in mind that an extension is only an extension of time to file your tax return – it is not an extension of time to pay your taxes. You must pay your tax liability by April 15<sup>th</sup> to avoid penalties for late payment of tax. If we have received enough information from you to get an accurate estimate of your tax liability, we may be able to assist with your extension estimate.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign in the space indicated below and return it to us. This letter will continue in effect until canceled by either party.

Sincerely,

*McCauley, Nicholson & Preder, CPAs*

ACKNOWLEDGEMENT;

This letter correctly sets forth our understanding.

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

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

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

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