

## 2023 INDIVIDUAL TAX RETURN ENGAGEMENT LETTER

Dear CLIENT/S \_\_\_\_\_

Thank you for selecting Cooper & Associates, AC to assist you with your tax affairs. This letter confirms the terms of our engagement with you and the nature and extent of services we will provide.

We will prepare your 2023 federal and all state income tax returns you request using information you provide to us. We may ask for clarification of some items, but we will not audit or otherwise verify the data you submit. This engagement only pertains to the 2023 tax returns and does not include any additional returns you may be required to file with other taxing authorities.

We will prepare the tax returns relying on the information and documents that you are providing to us. It is your responsibility to provide us with timely and complete information and documentation for the preparation of your returns. We may ask you to clarify certain items that you furnish to us, but we will not audit or verify any of this information. Therefore, our engagement cannot be relied upon to disclose errors, embezzlements, fraud or other illegal acts should they exist. However, we will inform you of any such matters that come to our attention.

Your cooperation and timeliness are essential in order for us to complete this engagement. It may be necessary to prepare an application for an extension of time to file the (year) return when we do not receive your tax information 30 days prior to the due date of your return. Applying for an extension of time to file may extend the time available for a tax authority to undertake an audit of your return or may extend the statute of limitations. An extension only allows additional time to file a return, it does not extend the time to pay any taxes that are due

We must use our 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. In order to avoid penalties, we will apply the "more likely than not" reliance standard to resolve such issues. You agree to honor our decisions regarding the need to make protective disclosures in your returns.

**Penalties can be imposed on you for failing to disclose participation in "reportable transactions," that is, certain arrangement, the IRS has identified as potentially abusive. We will insist that all such transactions be properly disclosed.**

**The law also imposes penalties when taxpayers understate their tax liability. If you have concerns about such penalties, please call us.**

Your returns may be selected for audit by a taxing authority. Any proposed adjustments are subject to appeal. In the event of a tax examination, we can arrange to be available to represent you. Such representation will be a separate engagement for which an engagement letter will be provided to you. Fees and expenses for defending the returns will be invoiced in accordance with terms we agree on for that engagement.

In addition, you may request that we perform additional services not contemplated by this engagement letter. Engagements for additional services may necessitate that we amend this letter or issue a separate engagement letter to reflect the obligations of both parties. In the absence of any other communications from you requesting such additional services, our services will be limited to and governed by the terms of this engagement letter. Although we are available to provide you with tax planning advice, we are not obligated to do so unless you specifically request it.

In the event that we receive a subpoena or summons requesting that we produce documents from this engagement or testify about the engagement, we will notify you prior to responding to it. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate to protect information from discovery. If you take no action within the time permitted for us to respond or if your action does not result in a judicial order protecting us from supplying requested information, we may construe that inaction or failure as consent to comply with the request.

Our fee for preparation of your tax returns will be based on the amount of time required for tax work, tax planning, and tax estimates, at standard billing rates plus out-of-pocket expenses. All invoices are due and payable upon presentation. To the extent permitted by state law, an interest charge may be added to all accounts not paid within thirty (30) days. Our maximum liability to you arising for any reason relating to services rendered under this letter shall be limited to the amount of fees you paid for these services. In the event of a claim by a third party relating to services under this letter, you will indemnify us from all such claims, liabilities, costs and expenses, except to the extent determined to have resulted from our intentional or deliberate misconduct

If any dispute arises (between/among) the parties hereto, the parties agree first to try in good faith to settle the dispute through non-binding mediation. The costs of mediation shall be shared equally by the parties. The parties agree that, if any dispute cannot be settled through mediation, the dispute may then be brought before a court of competent jurisdiction, but the matter will ultimately be decided by the court, sitting without a jury. The parties recognize they have knowingly and voluntarily agreed to waive all rights to have any such dispute determined by a jury, but otherwise retain all rights afforded under the applicable civil justice system.

You should retain all documents and data that form the basis of income and deductions as these may be needed to prove accuracy and completeness of your returns. You have the final responsibility for reviewing, signing and sending in your return to the

applicable taxing authorities. In the event information is requested by any of the parties signing this return, that information will be furnished without obtaining the additional consent of any other party

This Agreement is fully and voluntarily entered into by the Parties. Each Party states that he, she, or it has read this Agreement, has obtained advice of counsel if he, she, or it so desired, understands all of this Agreement, and executes this Agreement voluntarily and of his, her, or its own free will and accord with full knowledge of the legal significance and consequences of this Agreement.

To confirm that you agree with the services and terms of this engagement, please sign where indicated at the bottom of this letter and return one signed copy to us. If we do not receive the executed copy of this agreement from you, receipt of your tax return data (and/or organizers for Individuals) will acknowledge your acceptance of the terms of this agreement. Should you have any questions regarding these requirements or provisions, please feel free to contact us.

Sincerely yours,

***Cooper & Associates, A.C.***

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Approved by: \_\_\_\_\_  
(Taxpayer) (Spouse) (Date)