

## Client Engagement Letter

Date: \_\_\_\_\_ Business Name : \_\_\_\_\_

Owner Name : \_\_\_\_\_

We are pleased to have the opportunity to prepare income tax returns for your business.

The Internal Revenue Service imposes penalties upon taxpayers as well as tax return preparers for failure to observe due care in reporting for income tax returns. To ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to confirm the following arrangements:

### **Service Anticipated**

We will prepare your 2011 Federal, Oregon and local business (if necessary) income tax returns for the business named above, from information that you will furnish to us. We will not compile, review or audit the information you provide, unless we deem it necessary or you specifically request us to do so in writing. We will not prepare financial statements or payroll tax returns, personal property tax returns, retirement tax returns, or any other tax returns other than those mentioned above without your written authorization to do so. We will treat all information provided by you as accurate and complete unless we find specific evidence that suggests otherwise. IRS has recently put restrictions on tax professionals regarding the advice they may provide to clients regarding additional accounting services, beyond the engagement stated above. If, in the preparation of your return, we notice that you may benefit tax-wise from certain services, you authorize us to point this out, but you are in no way obligated to engage Epstein Group to provide such services.

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. However, the Internal Revenue Service requires us to state that any Federal tax advice not provided in the form of a formal, written opinion is not intended to be used, and cannot be used, for the purpose of avoiding Federal tax penalties. The law provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information of the amount or circumstances of these penalties, please contact us.

We have the right to withdraw from this engagement, at our discretion, if you fail to provide us with any information we request in a timely manner, refuse to cooperate with our reasonable requests or misrepresent any facts. Our withdrawal will release us from any obligation to complete your return and will constitute completion of our engagement. You agree to compensate us for our time and out-of-pocket expenses through the date of our withdrawal.

### **Information Requested and Organizer**

It is your responsibility to provide us with all the information necessary for the preparation of complete and accurate returns. If we do not have complete information from you at least three weeks before a filing deadline, you should expect that an extension will be filed. 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. You have the final responsibility for the income tax returns, and, therefore, you should review them carefully before you sign them.

## **In the Event of an Audit**

Your returns may be selected for review by taxing authorities. 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. Any proposed adjustments by the examining agent are subject to certain rights and appeals. Please provide us with copies of any notices you receive from taxing authorities. We recommend that you do not speak to IRS or state taxing authorities about any audit information without notifying us first.

Our fee for these services will be based upon the amount of time required at standard billing rates plus out of pocket expenses. Rates are as follows:

Victor Epstein	\$200/hr.
Jerry Sellers	\$135/hr.
Isabel Johnson	\$110/hr.
Derek Foote	\$100/hr.
Tami Landers	\$ 90/hr.
Steve Cohen	\$ 75/hr.
Administrative/Bookkeeping	\$ 50/hr.

All invoices are due and payable when tax returns are delivered; progress invoices are due and payable upon presentation. Invoices not paid within 30 days will accrue interest at the rate of one and one-half percent per month (18 percent annually).

## **Document Retention**

In accordance with our firm's document retention policy, we will retain electronic copies of your tax returns and work papers indefinitely. For your convenience, current year documents and those you request may be available to you on our secure portal, but will not remain there indefinitely. All other documents will be returned to you. Please be advised that the work papers and records of our firm cannot be a substitute for your records, and that physical deterioration or catastrophic events may shorten the length of time for which the records may be available. We will never disclose any information to a third party without your written authorization. In the case of electronically filed returns, it is necessary for us to transmit your tax return data to Intuit Corporation, who then sends it on to IRS and to the pertinent state authority. By signing this letter, you are authorizing us to transmit your tax data to Intuit Corporation, IRS and state authorities as described above

## **Acknowledgement**

Your email return of this engagement letter will serve as agreement with, and acceptance of the terms of this engagement letter, as of the date on your return email. Please make sure that your return email includes in its header the legal name of your business, your legal name, and the legal name of your spouse, if relevant.

We want to express our appreciation for this opportunity to work with you.

Sincerely,

Epstein Group, PC  
Certified Public Accountants

If you would like us to prepare payroll tax returns, personal property tax returns, or other tax returns for you, please notify us in writing in a separate email or letter.