

JK Associates, LLC, Tax and Consulting Services
9520 Berger Road, Suite 310, Columbia, MD 21046

Preparation of Your 2018 Individual Tax Return(s)

Thank you for choosing JK Associates, LLC, 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. Please sign this letter and return it to us along with your tax materials.

Scope

We will prepare your 2018 federal and all state income tax returns you request using information you provide us. We may ask for clarification of some items, but we will not audit or otherwise verify the data you give us. We have enclosed a questionnaire to help you to gather the information required to complete your return(s).

Not included in the scope of this engagement is any accounting or bookkeeping necessary to complete the tax return, tax planning, responding to IRS or state notices (including audits) or responding to third-parties (including subpoenas). These are all separate engagements and will be billed separately. If you need to include accounting or tax planning with your tax return preparation, please let us know.

Client's Responsibility

It is your responsibility to provide information required for preparation of complete and accurate returns. You should keep all original documents, canceled checks and other data that support your reported income and deductions for seven years. They may be necessary to prove accuracy and completeness of the returns to a taxing authority. ***You are responsible for your returns; review them carefully before signing them.***

After the engagement, you are responsible for pickup of any documents you want returned. We will mail them to your address *at an additional cost*. If you do not pick up your documents by the end of the calendar year, we will shred them.

You are responsible for mailing any returns or documents to the IRS or state taxing authorities if you do not e-file.

We consider both spouses to be our clients. Married couples should know that we will share information between both spouses and consider the actions of one spouse to speak for both. If you are not living together, considering separating, or have separate interests we will require you to sign a Conflict of Interest Waiver.

If you receive any letters from the government, please notify us immediately. We will correct returns at no charge and pay any penalties ***if we are at fault. However, we are not responsible for any taxes owed.***

Communications

We may consult with you by telephone, fax, and e-mail, as necessary, to answer questions. Communications with you made by telephone, fax, and e-mail will normally not be encrypted. We can provide secure file transfer for you. **DO NOT SEND ANY SENSITIVE INFORMATION VIA AN UNENCRYPTED E-MAIL.** Sensitive information includes social security numbers, birthdates, bank account numbers, etc. We encourage you to use our secure portal for all documents.

To complete your return(s) in a timely manner, we have many staff members who help with data entry. They may call or e-mail with questions. We will provide a list of staff members so that you will know who you are communicating with. All returns are reviewed by a CPA or Enrolled Agent.

Deadlines

This year's Federal and Maryland filing deadline is April 15, 2019. However, we plan to close our office on Friday, April 12, at the end of normal working hours, and be closed until Monday, April 22. We request that you bring us as many documents as you now have so we may begin preparing your return. ***We will file an extension for all returns received after Friday, March 22. If an extension is required, any tax due must be paid with the extension and the extension must be filed by April 15, 2019.*** Any taxes not paid by the filing deadline will be subject to late payment penalties and interest.

If an extension must be filed, we try to provide you with an estimate of your tax liability. To do this, we must have the appropriate documents (W-2, 1099R, 1099B, etc.) to make this estimate. We charge a fee for filing an extension unless you provided all documents and answered any questions we have by the March 22 deadline and JK Associates, LLC was not able to complete your return(s) by the filing deadline. We are not liable for penalties due to underestimates of your tax liability determined for extensions.

The deadline for extended personal returns is Oct. 15, 2019. If we do not receive all your required information by Monday Sept. 30, 2019, rush fees may apply.

Audits

Your returns may be audited based on an entry that the taxing authorities question. They may also be randomly selected for audit by a taxing authority. In the event of a tax examination, we can represent you. Such representation will be a separate engagement. Fees and expenses for defending the returns will be invoiced in accordance with terms we agree on for that engagement.

Disengagement

This engagement is at-will – either party may withdraw at any time with a one month's *written* notice. All payments must be up to date before a Disengagement Letter will be accepted.

Limitations

Any litigation arising out of this engagement (other than actions by us to collect fees owed to us) must be filed with one year from the completion of the engagement. Any judgement you obtain shall be limited in amount and shall not exceed the fee charged and paid for the services in this engagement letter.

Fees

Our fee for preparation of your tax returns will be based on the amount of time required at standard billing rates, the complexity of your return and necessary research. Additional fees will apply to rush jobs and extensions.

- ***We require a deposit if you are a new client.***
- ***We require full payment when your return is delivered to you, and before we e-file.***
- To the extent permitted by state law, an interest charge may be added to all accounts not paid within thirty (30) days.
- If either party withdraws by written notice from this engagement before the completion of the tax return(s), you will be billed for the time we have spent on the return to that point.

JK Associates, LLC, is not responsible for providing any of the deductions taken on my (our) tax return(s). I (we) have provided this information from my (our) own records and I (we) have proof of my (our) deductions and income. I (we) give my (our) permission to prepare my (our) tax return(s) and I (we) have read, understood and agree to the terms of this engagement and have read the Privacy Policy Act of this firm.

Taxpayer _____ Date: _____
Digitally Signed

Spouse _____ Date: _____
Digitally Signed

Client Address: _____ Telephone: _____

Email: _____