**COUNTRY TAX SERVICE LLC**

2 W. HWY 61

ESKO, MN 55733

[debbie@countrytaxesko.com](mailto:debbie@countrytaxesko.com)

Phone: (218)879-2910 | Fax: (218)879-9281

**Engagement for the Preparation of Your 2016 Tax Returns**

**Please sign before your appointment**

1. Thank you for choosing Country Tax Service to assist you with your 2016 taxes. This letter confirms the services you have asked us to perform and the terms under which we have agreed to do that work. Please read this letter carefully because it is important to both our firm and you that you understand what you can and cannot expect from our work. In other words, we want you to know the limitations of the services you have asked us to perform.

2. This engagement letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations, or agreements, written or oral, regarding these services. It shall be binding on the heirs, successors and assigns of you and us. The Internal Revenue Service imposes penalties on taxpayers, and on us as return preparers, for failure to observe due care in reporting for income tax returns. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to confirm the following arrangements.

**Tax Preparer Responsibilities**

3. We will prepare your 2016 Federal Individual Income Tax Form 1040 and related Federal schedules and Home State Individual Income Tax return schedules from information you furnish us. We will not audit, review, compile or otherwise verify the data you submit although we may ask you to clarify some of the information. We may furnish you with tax organizers to help you gather and organize the necessary information for us, in order to keep our fee to a minimum. If you move, please notify us or we will send the organizer to the address we used on your last year’s tax return.

**4. We are responsible for preparing only the specific individual income tax forms for the specified reporting agencies listed in this letter. Any other required services, forms, or other actions on our part require a separate engagement letter or agreement. In the absence of written communication from us documenting such services, our services will be limited to and governed by the terms of this engagement letter.**

**Taxpayer Responsibilities**

5. Please note that any person or entity subject to the jurisdiction of the United States (includes individuals, corporations, partnerships, trusts, and estates) having a financial interest in, or signature or other authority over, bank accounts, securities or other financial accounts having an aggregate value exceeding $10,000 in a foreign country, shall report such a relationship. Failure to disclose the required information to the U.S. Department of the Treasury may result in substantial civil and/or criminal penalties. Such disclosure includes filing Form 8938 with the Form 1040.

*If you do not provide us with information regarding any interest you may have in a foreign account, we will not be able to prepare any required Income Tax related forms and penalties may be due, for which we have no responsibility. In the absence of such information being provided we presume you do not have any foreign assets or financial interests and will not file any applicable disclosure forms without separate written authorization.*

6. If you and/or your entity have a financial interest in any foreign accounts, you are responsible for filing Form FinCen114 required by the U.S. Department of the Treasury on or before April 15 of each tax year and can get an automatic extension to October 15.

7. If you hold foreign financial assets with an aggregate value exceeding $50,000 you may be required Form 8938.

**Other Items**

8. Our fee does not include responding to inquiries or examination by taxing authorities, for which you will be separately billed for time and expenses involved. However, we are available to represent and will be covered under a separate engagement letter. You agree to immediately notify us upon the receipt of any correspondence from any agency covered by this letter.

***Please do not respond to or click on any links from emails purportedly from the IRS-the IRS never initiates correspondence via email and any such emails are attempts to steal your identity. Also, the IRS does not call taxpayers on the phone, so give no information to any such callers.***

9. It is your responsibility to maintain, in your records, the documentation necessary to support the data used in preparing your tax returns, including but not limited to the auto, travel, entertainment, and related expenses and the required documents to support charitable contributions. It is also your responsibility to carefully examine and approve your completed tax returns before signing and having us e-file them to the tax authorities. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest. We will rely, without further verification, upon information you provide to us from 3rd parties including, but not limited to, K1’s, 1099’s, 1098’s, W2’s, and receipts and similar items.

10. *We DO NOT automatically file tax extensions for clients. You must notify us in writing, by e-mail or by fax if you wish us to file an extension, and notification should include your estimate of any balance due with the extension. If your return is extended it does not relieve you from paying any tax due on the due date.*

11. We will use our professional judgement in preparing your returns. Whenever we are aware that a possibly applicable tax law is unclear, we will explain the possible positions that may be taken on your return.

12. When a self-employed taxpayer reduces taxable income there may also be a reduction in earned income reported to the Social Security Administration, which could reduce current and future benefits for the taxpayer and his or her dependents.

13. New privacy laws were established by the IRS effective as of January 1, 2014 and we are now prohibited from providing confidential information or copies to anyone other than you without your specific, written authorization. To comply with these new regulations, we provide all copies of all returns to you at the time you sign your return. Additional paper copies will be sent to you for a fee.

14. It is our policy to keep records relating to this engagement for three years after which they are destroyed. However, we do not keep any original client records and when records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

15. Our fee will be based on the complexity of your return at the standard billing rates plus out-of-pocket expenses and time charges if not organized. Invoices **are due and payable at the end of the tax interview or presentation of an invoice, unless other arrangements have been made for payment.** You acknowledge and agree that we are not required to continue work in the event of your failure to pay on a timely basis for services rendered as required by this engagement letter. You further acknowledge and agree that in the event we stop work or withdraw from this engagement as a result of your failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable to you for any damages that occur as a result of our ceasing to render services. Our services will conclude upon delivery of the completed income tax returns discussed above or upon our suspension of services or resignation from the engagement. **No returns will be mailed out or e-filed until payment is received or other arrangements have been made.**

16. In recognition of the relative risk and benefits of this agreement to both you and Country Tax Service, both have discussed and have agreed on the fair allocation of risk between both parties. As such, you agree, to the fullest extent permitted by law, that the liability of Country Tax Service to you shall not exceed the total fee for services rendered under this agreement. You and Country Tax Service intend and agree that this limitation apply to any and all liability or cause of action against Country Tax Service, however alleged or arising, unless otherwise prohibited by law. Both parties agree that there is a one-year limitation period to bring a claim against us for errors and omissions. The one-year period will begin upon the date of our signature as preparer on the tax return covered by this engagement letter.

17. ***From time to time various third parties may request that we sign, for you, some verification of income, employment or tax filing status. Because we are engaged only to prepare your income tax return, without examination, review, audit, or verification our insurance carriers as well as the state board of accountancy prohibit us from signing such document and we suggest that you have them send IRS Form 4506 to the IRS to obtain such verification.***

18. We appreciate the opportunity to serve you. It is our policy to initiate services after we receive the executed engagement letter. If any provision of this agreement is declared invalid or unenforceable, no other provision of this agreement is affected and all other provisions remain in full force and effect.

Please sign below and return to us with your tax information. Both spouses must sign for joint returns.

**I have read the above terms of this engagement letter and agree with the terms of this engagement.**

Sincerely, Deborah Gellatly, EA

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Taxpayer** **Date**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Spouse** **Date**