

Engagement Letter

Firm: Pel & Associates

Tax Year: 2024

Thank you for selecting Pel & Associates to assist you in preparing your personal income tax returns. This letter confirms the terms of our engagement and the nature, timing, and limitations of the services we will provide.

We will prepare your 2024 federal and state personal income tax returns from the information you furnish us. We will not audit or otherwise verify the data you submit, although it may be necessary to request clarification and/or documentation of some of the information. Generally, we will rely on your representation that you have maintained the documentation required by law to support the information you provide, including expenses for meals, travel, gifts, vehicle use, charitable contributions, etc. If you are not clear regarding what documentation is needed for any given item of income or deduction, we'd be happy to discuss it with you. **You have the final responsibility for your tax returns and, therefore, you should carefully review them before you sign and file them.**

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Taxpayer Spouse

We require all documents pertaining to your return to be submitted to our office one week prior to your scheduled appointment. If documents are not provided on time, our office will cancel your appointment and a fee will be applied. *Appointments may be rescheduled, based on availability.*

We have provided an organizer for your use. **We do require this document to be submitted to us, filled in as thoroughly as possible** along with copies of originals of all government tax documents (W-2s, 1099s, 1098s, property tax statements, etc). If you are an established client with our firm, we can also give you a detailed organizer, which includes your numbers from 2023, free of charge. **At our discretion, there may be additional fees for failure to complete the organizer as this information is vital for an accurate return.**

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Taxpayer Spouse

We will use professional judgment in resolving issues when the tax law is unclear or when there is conflict among the authorities.

The filing deadline for the tax returns is April 15, 2025. In order to meet this filing deadline, we must receive your information in substantially complete form by April 1.

If an extension of time to file is required, we will use the information available to us at the time to prepare the extension. To prepare a valid, accurate extension, we need as much information as is available. We also need your express approval to file the extension on your behalf. **An extension, however, only provides you with an extension to file, not an extension to pay. Taxes paid after April 15 will result in late-payment penalties and interest.**

Under both federal and California law, we are required to electronically file your returns. You may opt out of electronic filing without explanation. If you would rather not e-file, please let us know and we will provide you with the government opt-out forms you must sign and return to us.

If you were married on 12/31/24, you have a choice of filing a joint or separate return for 2024. If a joint return is prepared, tax returns and copies of all supporting documentation will be made available to either spouse without the consent or notification of the other spouse.

You are responsible for reporting foreign activities. By signing this letter you acknowledge that you will inform us if you have income from foreign sources or if you have signatory authority over any foreign financial account. If you are unsure whether income or an account is foreign, we will review it. **Penalties for failure to report foreign activities are severe.**

Your tax returns may be selected for review by the taxing authorities. If the government selects your return for examination, we will be available to assist you. At our discretion, there may be additional fees for this service.

We generally retain, for seven years, the final work product generated for our clients. After the retention period, the documents are destroyed. We do not keep original documents — they are returned to you after completion of the returns. It is your responsibility to retain your records for possible future use, including possible examination by the taxing authorities.

Our fees for tax preparation services are based on the amount of time required at our standard billing rates plus out-of-pocket expenses. All invoices are due and payable upon presentation. You will be provided with

one copy of the completed returns, either by paper or digitally, as chosen during your tax appointment. **Any additional paper copies of your return (including those sent to third parties) will be provided for a fee of \$30 for the cost of printing and mailing with delivery confirmation.**

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Taxpayer Spouse

If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter and return it to our office. **Work cannot commence until a signed copy of this document is returned.** If this is a joint return, both spouses must sign.

Acknowledged:

Signature: _____ Print name: _____ Date: _____

Signature: _____ Print name: _____ Date: _____