Dear Client:

This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom returns are prepared to confirm the following arrangements by signing and returning this letter to our office.

We will prepare your ______ (fill in relevant year) federal and state income tax returns, where applicable from information that you will furnish us. We will not audit or otherwise verify the data you submit, although it may be necessary to ask you for clarification of some of the information. We will furnish individual clients, on request, with paper organizers, our Internet based Tax Notebook (www.cpa-services.com/tax_notebook.shtml), and/or worksheets to guide you in gathering the necessary information. You may also download various checklists and other material from our website (www.cpa-services.com/tax.shtml) to aid you in submitting the proper tax information. Your use of such forms will assist in keeping pertinent information from being overlooked.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns in a timely manner (these dates are noted in our enclosed year end instruction letter). 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 your income tax returns whether they are filed on paper or electronically submitted and therefore you should review them carefully before you sign them or allow us to electronically process them on your behalf.

Keep in mind for business returns (corporations, LLC’s, partnerships and fiduciaries) that management is responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of the financial records.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations or other irregularities, should any exist. We will not audit or otherwise verify the data you submit. We will render such accounting and bookkeeping assistance as determined to be necessary for preparation of the income tax returns for an additional charge.

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.

If an extension of the time to file is required, any tax that may be due with the return in questions must be paid with the extension request. Any tax amounts not paid by the filing deadline are subject to interest and late payment penalties when those amounts are actually paid. Due to increasing regulations regarding on-line and other direct payments we may be unable to process these on your behalf.
The law provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on the amount or the circumstances of these penalties, please contact us.

The returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. 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.

Our fee for these services will be based upon the amount of time required at standard billing rates plus out-of-pocket expenses. All invoices are due and payable upon presentation.

You agree that any dispute that may arise regarding the meaning, performance or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation, and that they will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

Any litigation arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within one year from the completion of the engagement, notwithstanding any statutory provision to the contrary. In the event of litigation brought against us, any judgment you obtain shall be limited in amount, and shall not exceed the amount of the fee charged by us, and paid by you, for the services set forth in this engagement letter.

Federal law has extended the attorney-client privilege to some, but not all, communications between a client and the client’s CPA. The privilege applies only to non-criminal tax matters that are before the IRS or brought by or against the U.S. Government in a federal court. The communications must be made in connection with tax advice. Communications solely concerning the preparation of a tax return will not be privileged.

If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter in the space indicated and return it to our office (fax = 978.462.2109). However, if there are other tax returns you expect us to prepare, such as corporate, LLC, partnership, fiduciary, gift or other family returns please inform us by noting so at the end of this letter.

Our firm privacy policy can be viewed on our Website at www.cpa-services.com/privacy.shtml and our latest peer review can be viewed at www.cpa-services.com/peer_review.shtml.

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

Sincerely,
Riley & Associates, PC

Accepted By:________________________________________________________________________________

Please note, if this is a joint return both parties must sign.

Date:________________________________

Other Returns to be prepared as part of this engagement:
_____________________________________________________________________________________________

Please make sure we have your current e-mail and cell phone:

Cell Phone: _______________________ E-mail address: ___________________________

phone: 978 463-9350  fax: 978 462-2109  e-mail: contact@cpa- services.com

On the Internet @ www.cpa-services.com ~ www.artstaxinfo.com ~ www.wdspayroll-llc.com