



272 Main Street  
Lancaster, NH 03584  
Call 603.788.4928  
Fax 603.788.3830  
craneandbellcpas.com

## Tax Return Engagement Letter Service Agreement

**SIGN HERE AFTER REVIEW OF LETTER  
& COMPLETION OF QUESTIONNAIRE**  
(Must be signed and returned with tax documents)

<b>ACCEPTED AND AGREED:</b>	
_____	___/___/___
Taxpayer	Date
_____	___/___/___
Spouse (if applicable)	Date

We are pleased to prepare your tax return this year. As our client, we appreciate the confidence you place in us, and we will do everything we can to provide you with the quality service you expect and deserve.

This package contains this engagement letter and a separate questionnaire to help us gather the information necessary to prepare your return.

Preparing a tax return is a collaborative process. This letter describes what you can expect from us and what we expect from you. To foster this mutual understanding, we ask all clients for whom we prepare returns to confirm the following arrangements.

### *Your Responsibilities*

You will provide us with the information we need to prepare your 2017 federal and requested state income tax returns. Separately provided with this letter is a several page questionnaire designed to identify common situations that could affect your tax return. We ask you to carefully read and complete the questionnaire, which will help ensure that we have the information necessary to do our job of keeping your taxes to a minimum.

By signing this letter above, you are saying that the information you are supplying us is accurate and complete to the best of your knowledge and that your expenses for meals, entertainment, travel, business gifts, business use of vehicles, charitable contributions, dues and memberships, and vehicle use are supported by records as required by law. We will not verify the information you give us. However, we may ask you to clarify some of the information.

You should keep all the documents, canceled checks and other data that support both income and deductions claimed on the tax return. 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 carefully review them before you sign and file them.** If there is anything you do not understand or you wish us to clarify, please ask us.

### *FOREIGN ACCOUNTS*

If you have or had a financial account with a value of \$10,000 or more in Canada or another foreign country at any time during the year, you must file FinCEN Form 114, and possibly form 8938, as required by the U.S. Department of the Treasury. Question #11 on page 5 in the questionnaire will help you determine if this applies to you. If you do not disclose the required information to the U.S. Department of the Treasury, you may incur substantial civil and/or criminal penalties.

You are responsible for providing us with all the information necessary to prepare these forms. If you do not provide us with information regarding any ownership or fiduciary interest you may have in a foreign account or trust, we will not be able to prepare any of the required disclosure statements.

*Our Responsibilities*

We will prepare your 2017 federal and requested state income tax returns from information that you provide us. As we prepare your income tax returns, we will not perform procedures designed to discover fraud or other irregularities, should any exist.

We will provide any accounting and bookkeeping assistance that we consider necessary to prepare the income tax returns.

In cases where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions, we will use our professional judgment to resolve any such conflict or uncertainty. Unless you ask us to do otherwise, we will resolve any such questions in your favor to the extent possible under applicable tax law.

We are prohibited, by law, from signing a tax return unless we reasonably believe that there is substantial authority for a tax position taken on the return, or unless we believe that there is a reasonable basis for the tax position taken on the return and we disclose this tax position separately in the tax return. However, under no circumstances may we sign a tax return with a tax position that has no reasonable basis.

*Filing Schedules and Logistics*

The filing deadline for the tax return is Tuesday, April 17, 2018. In order to meet this filing deadline, we need to receive all of your information to prepare your returns in our office no later than Friday, March 23, 2018.

We are required by law to electronically file your returns with the Internal Revenue Service and participating states. You must review the returns to be e-filed and sign forms authorizing us to submit the returns electronically before we can do so. We are not responsible for the length of time it takes the IRS or state(s) to process your return, though our experience has been that the fastest processing of refunds occurs with tax returns that are e-filed with instructions to directly deposit refunds into your checking or savings account.

If you need more time beyond April 17, 2018, to gather the information to prepare your return, we can file for an extension. However, you are still required to pay any tax due with that extension. Any amounts not paid by the filing deadline may be subject to interest and late payment penalties.

*Potential for Penalties and Audit*

The law provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information about these penalties, please contact us.

Your returns may be selected for review by the IRS or state taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such an examination, we will be available, upon request, to represent you and will discuss with you, at that time, our price for those services.

*Fees*

Our charges for preparing your return are based on its complexity, as well as on the completeness of the information you provide us. A more complex return requires a more experienced preparer and more expertise to complete. All invoices are due when you receive them. **Note that the additional requirements in all individual income tax returns to report your health insurance status and, if applicable, calculate your insurance premium tax credit (for insurance bought on an exchange) or to determine a penalty for failure to obtain insurance with minimum essential coverage will result in additional charges beyond the normal preparation of your return.**

You and we agree that any dispute that may arise regarding the meaning, performance or enforcement of this engagement letter will, prior to resorting to litigation, be submitted to mediation, and that you and we will engage in the mediation process in good faith once a written request to mediate has been given by either party to the engagement. Any mediation initiated as a result of this engagement shall be administered by a law firm specializing in the mediation process, not associated with either party, and selected by you and us together, according to the mediation firm's mediation rules. Any ensuing litigation shall be conducted within Coös County, New Hampshire, according to New Hampshire law. 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.

*Your Comments*

If you have any additional comments or concerns related to your tax return or questionnaire, or if there are additional tax returns (such as gift tax returns or other state returns) that you wish us to prepare, please list them below or on a separate sheet of paper.

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If this letter agrees with your understanding, **please sign on page 1 and include this SIGNED engagement letter with your tax documents.**

Thank you, again, for entrusting us with your tax return. Please let us know if we can be helpful in any other way.

Very truly yours,

CRANE & BELL, PLLC

**Sign where indicated on Page 1**