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February 23, 2021

Dear Client,

We appreciate the opportunity of working with you and advising you regarding your income tax. This letter will confirm your understanding of the terms and objectives of tax services we will provide for you.

This letter is to confirm this firm's representation regarding your tax preparation for the 2020 calendar year. Specifically, we will prepare your Federal 2020 individual income tax return (inclusive of Schedules A, B, and D) and your Illinois or state of residence individual income tax return for filing with the Internal Revenue Service and the State Department of Revenue. You are responsible for informing us if you have tax-filing obligations in another state. Unless otherwise agreed in writing, this engagement does not include tax-planning advice or additional services not identified herein, and the returns that we prepare are not intended for use for any other purpose.

We have enclosed an Organizer to help you gather the information required for a complete return. If you use the Organizer, it will help you avoid overlooking important information, and it will help us to efficiently prepare your returns.

In order to timely file your tax returns, we need all required information no later than **March 1, 2021**. You may be required to request an extension if we do not receive all required information by the above date. We **do not** file extensions automatically. If you want us to request an extension, you must notify us in writing no later than April 10, 2021. Please note that an extension is an extension of time to file the return, and not an extension to pay taxes due. You are responsible for determining the payment necessary to send with your extension to avoid an underpayment penalty. We are not responsible for penalties or interest arising from an underpayment of tax. We can help you determine the amount to pay with a request for an extension but no later than April 10, 2021.

It is your responsibility to give us information required for the preparation of complete and accurate returns. We will not audit or verify the data you submit, although we may ask for clarification or require specific additional documentation. You are certifying that the information you provide to us can be substantiated by appropriate documentation, and that it is true, correct, and complete to the best of your knowledge.

Please place your initials on the following line to indicate that you have read this page:

_____ (initial) _____ (initial)

You are responsible for the accuracy of your financial records and the full and accurate disclosure to us of all relevant facts affecting the returns. This includes signing authority over of any foreign bank accounts and the ownership of any foreign financial assets. Our work does not include procedures to discover or disclose material errors, fraud, illegal acts, or other defalcations. You have final responsibility for the income tax returns.

We will retain copies of the records you supplied to us along with our work papers for a period of 3 years. After 3 years, our work papers and records may be destroyed. All of your original records will be returned to you at the end of this engagement. You should keep all original documents, canceled checks and other data that supports your reported income and deductions in secure storage. These records may be necessary to prove accuracy and completeness of the returns to a taxing authority.

Upon preparation of your returns and return of your records, our engagement will be complete with regard to this matter. However, we will be pleased to assist you with future matters and we will contact you when it is time to prepare your 2021 returns.

If your return is later selected for examination, we will be pleased to assist you upon request. We will provide you with a separate engagement letter for such representation, and fees and expenses will be invoiced in accordance with terms of that engagement letter.

Our fee for the tax return preparation is based on the amount of time required. Our current rate is \$180 per hour. Our firm charges actual costs incurred for copying and mailing charges, and/or other expenses directly related to this engagement. Our firm bills on a monthly basis and invoices with the return. If you have any questions or concerns about any statement received, please contact us immediately. Payment within 30 days is expected and appreciated. Outstanding balances will accrue interest at the rate of 1% per month.

We must use our professional judgment in resolving questions where the tax law is unclear or where there may be conflicting interpretations of the law. In order to avoid penalties, we will explain the possible positions, and we will adopt whatever position you request if it is consistent with relevant tax authority and professional standards.

We may terminate our representation of you if you fail to pay our statements when due; if you insist that we pursue objectives that we consider imprudent, unprofessional or unethical; or if we feel further representation is not warranted for personal reasons. Regardless of the reason for termination, you are obligated to pay for services provided and costs incurred through the date of termination.

Please place your initials on the following line to indicate that you have read this page:

_____ (initial) _____ (initial)

As between yourselves, in the case of a joint return, you have agreed that there may be a complete and full disclosure and exchange of information that we receive from either of you. Accordingly, we will be free to share information with one of you that we receive from the other. Our understanding regarding the sharing of information applies regardless of the time and manner in which it is communicated to us. We are preparing a joint return because your interests and positions are consistent. However, we will not be able to represent you if a conflict of interest develops. Should a conflict arise, we may be required to terminate representation of one or both of you.

As related to record keeping, our workpapers and records are not a substitute for your records. You, our client, have the primary responsibility to maintain your own records. There will be a service charge of \$50 per return for additional copies of your completed returns.

If you have further questions about anything set forth in this letter, please call us to discuss them. Otherwise, please sign this page and initial the previous two pages and return this letter to us to signify your acceptance of these terms. We will keep the original letter in our file.

Thank you for allowing us to assist you and for your anticipated understanding of the need for this letter. I trust you can appreciate the need to be clear about these matters prior to commencing our representation. We look forward to serving you.

Sincerely,

Frank

Frank J Pavlica, CPA

ACKNOWLEDGED AND AGREED this _____ day of _____, _____.

_____ Taxpayer

_____ Spouse