



Taylor Hill
Enrolled Agent: 00134684-EA | LTC 35289-C
22455 SW Oak St. | Sherwood | OR | 97140
Phone 503.773.6568 | Fax 877-868-3810

Engagement Letter for Personal Tax Return Preparation

This letter is to confirm and specify the terms of our engagement with you for the year ended December 31, 2021, and to clarify the nature and extent of the tax services we will provide. We look forward to collaborating with you and want to confirm our understanding of the arrangements for this service. Please read this letter carefully because it is important that we establish expectations for both of us as we work together. If you have any additional questions or concerns regarding this Engagement Letter, please call to discuss before signing it.

Please know a **Personal Income Tax Return is due by April 15, 2022**. Please submit your information by **March 1st, 2022**, to ensure your Income Taxes can be completed by the deadline. An additional extension of time to file may be requested before the due date, allowing you to extend your tax return due date until **October 17, 2022**. If an extension is filed, **please submit your information by September 1st, 2022**, to ensure your Income Taxes can be completed by the extended deadline. The extension is an extension of time to file your tax return and NOT an extension to pay any tax liability due. If any tax is due or you think it may be due, you must pay that amount to the IRS and any applicable state taxing agency by **April 15, 2022**. If payment for estimated taxes is not made timely, there will be penalties and interest due. **Please be aware if your documents are submitted AFTER the due dates of March 1st or September 1st a Rush Fee will be applied for your return to be completed by the April 15th or October 15th deadline, respectively. If you are OK with an extension, then no Rush Fee will be applied.**

We typically charge for the preparation of tax returns at our standard rates. **We accept payment via Cash, Check, Zelle, Venmo or CashApp (no Credit Card option).** Please note, we will be **charging additional fees for bookkeeping services at \$150/hour and for the preparation of additional schedules if these services are necessary.** All charges for tax return preparation are due and payable prior to the release of the return to the client or the filing of the return. You will be contacted with an estimate of charges if they are above the basic rate for your approval.

We will provide you with an electronic tax organizer requesting specific information. Completing the organizer is required and will assist us in making sure you are well served for a reasonable fee. In providing this information to us, **you represent that the information you are supplying is truthful, accurate and complete to the best of your knowledge and that you have truthfully disclosed to us all income and other relevant facts affecting the returns. You further represent that you have provided us true, correct, and complete information regarding amounts you claimed as tax deductions, and have**



Taylor Hill
Enrolled Agent: 00134684-EA | LTC 35289-C
22455 SW Oak St. | Sherwood | OR | 97140
Phone 503.773.6568 | Fax 877-868-3810

maintained written documentation supporting all amounts, including logbooks and receipts. We will not audit or otherwise verify the information you give us; however, we may ask for additional clarification of some information. You will contact us immediately if you discover additional information that will lead to a change in your return, or if you receive any letters from the IRS, state, or local taxing authorities.

You are responsible for the proper recording of financial activities, for the safeguarding of assets, and for the substantial accuracy of your financial records. The law imposes various penalties when taxpayers understate their tax liability. We recommend you retain all documents, canceled checks, receipts and other data that form the basis of income and deductions for at least 3 years after filing your return. **Please remember, you have the final responsibility for the information on your income tax returns. Please keep all originals for your records.**

In accordance with our firm's current document retention policy, we will retain our work papers and your tax returns for your engagement for *seven (7)* years. After seven years, our work papers and files will no longer be available. Physical deterioration or catastrophic events may shorten the time during which our records will be available. The working papers and files of our firm are not a substitute for the original records of your company. When any records are returned to you, it is your responsibility to retain and protect the records for potential future use, including potential examination by governmental or regulatory agencies. It is agreed and understood that in connection with the performance of this engagement by Hill Tax, Consulting & Financial Services LLC, that the work papers prepared by us shall remain the property of Hill Tax, Consulting & Financial Services LLC.

Please note the following policies that are in effect:

- No tax return or related information will be released until the invoice has been paid in full, and payment plans are not available.
- There will be additional expedited fees for any returns completed in which we receive your information within 45 calendar days of the filing deadline.

Sending our office information – Please scan and upload your tax related information through your secure portal or drop off at our office during business hours. If you do not have a client portal, please contact our office and we will set one up for you. This is a free service and is a more secure way to transfer information. Please do not send originals. You can also send photocopies via mail. Please password protect any files being sent via email.

The IRS permits you to authorize us to discuss, on a limited basis, aspects of your return for one year after the return's due date. Your consent to such a discussion is evidenced by checking a box on the tax return. Unless you tell us otherwise, we will check that box authorizing the IRS to discuss the return with us.



Taylor Hill
Enrolled Agent: 00134684-EA | LTC 35289-C
22455 SW Oak St. | Sherwood | OR | 97140
Phone 503.773.6568 | Fax 877-868-3810

There is always a possibility that your returns may be selected for review by 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. **There will be additional charges for the time and expenses incurred.**

If we conclude that we are obligated to disclose a particular position on your tax return to a taxing authority and you refuse to permit disclosure, we reserve the right to withdraw from the engagement. You also have the right to choose another professional to prepare your return. In either event, you agree to compensate us for our services to the date of the withdrawal.

All invoices are due and payable upon completion of the income tax return. It is agreed and acknowledged that any unpaid balance pursuant to this Engagement Letter is subject to interest at the rate of Eighteen Percent (18%) per annum, collection charges (which may be as much as 50%), court costs and reasonable attorney fees. It is agreed and acknowledged that any returned or dishonored check will result in a \$25.00 check charge and shall be subject to the provisions contained in U.C.A. §7-15-1 and U.C.A. §76-6-505. It is agreed and acknowledged that failure to make payment as provided by this Engagement Letter constitutes a breach of this Engagement Letter and shall immediately be entitled to all remedies available under the law. It is agreed and acknowledged that this shall be governed by the laws of the State of Oregon.

The engagement does not include any services not specifically stated in this letter. To formalize our relationship, we respectfully ask that you return all three pages of the signed copy of this letter.

Thank you for your business!!

Respectfully,
Hill Tax, Payroll & Bookkeeping

CLIENT ACKNOWLEDGEMENT

Taylor Hill

Client Signature: _____

Print Name: _____

Date: _____



Taylor Hill
Enrolled Agent: 00134684-EA | LTC 35289-C
22455 SW Oak St. | Sherwood | OR | 97140
Phone 503.773.6568 | Fax 877-868-3810

What You Want in 2022

At Hill Tax, Payroll & Bookkeeping we want to help you achieve the goals that are important to you. By answering the following questions, we will be able to understand your unique situation better (this is not required to be completed). We look forward to being your Business & Tax Partner.

Please tell us 3 things you would like to accomplish in 2022 to improve your business situation.

1. _____
2. _____
3. _____

Please share 3 things that you would like Hill Tax to do to help you accomplish the above in 2022.

1. _____
2. _____
3. _____



Taylor Hill
Enrolled Agent: 00134684-EA | LTC 35289-C
22455 SW Oak St. | Sherwood | OR | 97140
Phone 503.773.6568 | Fax 877-868-3810

Items needed for 2021 Personal Income Tax Return

Please provide **photocopies** of the following information for us to complete your 2021 Income Tax Return. **Please do not send the originals to us.** We ask that you retain the originals in a safe place in your possession in case questions arise or further information is needed from them in the future.

General information

- 1) Refer to the Basic Taxpayer Organizer.
- 2) Copies of last two years Federal & State tax returns. **If we prepared your returns, there is no need to send copies.**
- 3) Photocopies of identification to prove identity (generally a driver's license or passport showing photo, name, and identification)

Income information

- 1) Copies of all W-2 forms that you or your spouse may have received from your employer(s).
- 2) Copies of 1099 forms that you may have received for other income.
- 3) Copies of 1099-INT or 1099-DIV forms that show interest or dividend income.
- 4) Copy of last year's state tax refund (usually received on a 1099-G)
- 5) Distributions from a Health Savings Account (Form 1099-SA).
- 6) Distributions from IRA, 401(K) or other retirement accounts (Form 1099-R)
- 7) Documentation on capital gains you may have had through asset sales in 2021.
- 8) Unemployment compensation (usually received on a 1099-G)
- 9) Social Security benefits received (1099-SAA)
- 10) Any other types of income you may have for 2021.

Adjustments to Income

- 1) Contributions to a Health Savings Account (Form 5498-SA)
- 2) Moving expenses (only if it was due to being a member of active Armed Forces)
- 3) Contributions to SEP, Simple or other qualified plans (if not listed on W-2)
- 4) Premiums paid for self-employed health insurance (Medical & Dental)
- 5) Alimony paid and date of divorce (date of divorce determines deductibility)
- 6) IRA contributions for 2021 (if not listed on W-2)
- 7) Student loan interest paid (Form 1098-E)
- 8) Tuition and fees paid for college education (Form 1098-T)

Itemized deductions

- 1) Medical expenses (doctors, dentists, eyeglasses, prescriptions, employee health insurance premiums, etc.)
- 2) Real estate taxes paid (please list separately for each property)
- 3) Personal property tax paid (automobiles, etc.)
- 4) Mortgage interest paid on your residence (Form 1098 or other documentation).
- 5) Points paid on your residence.
- 6) Charitable contributions by cash or check (only to qualified Nonprofits)



Taylor Hill
Enrolled Agent: 00134684-EA | LTC 35289-C
22455 SW Oak St. | Sherwood | OR | 97140
Phone 503.773.6568 | Fax 877-868-3810

Itemized deductions (continued)

- 7) Charitable contributions made in kind (clothing, automobiles, furniture, etc.). If over \$500, we will need the slip and a fair market value of the items donated). We have a Donation Calculator to assist you on our website available for download on our “Resources” page.
- 8) Casualty losses from theft or fire.
- 9) Unreimbursed business expenses (only for Armed Forces reservists, Qualified performing artists, Fee-basis state and local government officials, or employees with impairment-related work expenses)
- 10) Legal fees related to producing or collecting taxable income or getting tax advice.
- 11) Tax preparation fees only if associated with business or rental portion of tax return.

Other deductions and credits

- 1) Child and dependent care costs (need FEIN/SSN, name, address, and amount)
- 2) Credit for elderly or disabled.
- 3) Residential energy credit for improving the efficiency of your home.
- 4) Taxes paid to foreign country.

Payments

- 1) Documentation of payments or estimated payments that you may have made toward your 2021 taxes. (Does not include amount paid with 2020 return for additional taxes owed for 2020)

If you owned a business that could be considered a sole proprietorship in 2020, we need the following information to complete the Schedule C for your tax return:

- 1) What activity the business was engaged in.
- 2) Total revenue earned by the business in 2021.
- 3) Categorized expenses incurred by the business in 2021.
- 4) Total miles and total business miles driven for the year and year/make/model of vehicle.
- 5) Information on a home office if one was used. Download our Home Office spreadsheet on our website under our “Resources” page.
- 6) Any depreciable assets used by the business over \$2,500. (Computers, office furniture, etc.)

If you personally owned rental properties in 2021, we need the following information for your Schedule E:

- 1) Address and location of new properties.
- 2) Amount paid for the new properties purchase.
- 3) Rental income for the individual properties.
- 4) Cost of any improvements made to the properties.
- 5) Expenses for the maintenance and operation of the properties.
- 6) Information as to whether or not you can be considered a real estate professional. (The greater of 750 hours **and** more than 50% of your personal services, if you have another job, devoted to working in real estate activities for 2021)
- 7) HUD Statements (closing statements) on any property purchased in 2021.

Thank you for allowing us to assist you in this process.