

David Oase CPA, PC  
Certified Public Accountants  
7802 E. Escalante Rd, Tucson, AZ 85730

**Individual Engagement Letter**

This letter is to confirm our understanding of the terms of our engagement and to clarify the nature and limitations of the services we will provide. To ensure an understanding of our mutual responsibilities, we ask all clients for whom returns are prepared to confirm the following arrangements.

**Tax Preparer Responsibility**

We will prepare your **2022** Federal and **AZ** *or* \_\_\_\_\_ (*state*) Individual income tax returns from information, which you furnish to us. We will not audit or otherwise verify the data you submit, although it may be necessary to ask for clarification of some of the information. If you have taxable activity in a state other than that specifically listed, we will not prepare them unless requested. We will prepare only those state returns specifically listed above.

**Taxpayer Responsibility**

It is your responsibility to provide all the information required for the preparation of complete and accurate returns including but not limited to barter, crypto-currency, consumer-to-consumer activity, cash-based revenues, and all other income whether received in-person, in-kind, or electronically, as well as any amounts borrowed against your home, and proof that your dependents live with you. 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 the income tax returns. Review the returns carefully before signing and filing them.

**Yes or No (Circle)** Do you have **foreign accounts (checking, savings, stocks etc)**. We will file Form 114 to report it. You are responsible for filing Form **FinCen 114** required by the U.S. Department of the Treasury on or before April 15<sup>th</sup> of each year plus extensions. There is a 50% penalty (of the account balance) for failure to file; if in doubt, tell us.

**Yes or No (Circle)** If you bought or sold any Virtual Currency (Bitcoin, Dogecoin, Ethereum etc.) We will need Gain and Loss worksheets.

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 render such accounting and bookkeeping assistance as determined to be necessary for preparation of the income tax returns.

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. This engagement does not include tax planning or the rendering of advice on tax savings opportunities.

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.

Your 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.

When a tax examination results in additional taxes, interest and penalties are normally added to the balance payable to the government. It is understood that interest and penalties resulting from a tax examination are the responsibility of the taxpayer. David Oase CPA PC is responsible for penalties resulting from clerical error.

**The IRS requires that we have written authorization from you before sending any portion of your tax return to a third party (like a mortgage company). See our website for this “consent to disclose” form.**

**Married taxpayers who are filing a joint return.** State law does not allow us to keep information confidential from your spouse. If we become aware of a conflict, we will resign as your tax preparer until the conflict is resolved.

It is essential that you submit all of your tax information to us prior to April 1st in order to have your tax return processed before April 15, 2023. If your tax appointment is scheduled after April 1st, it is understood that your tax return will be extended unless we mutually agree otherwise. If there is any missing information or other circumstances beyond our control, extensions may be mandatory. Our estimate of the tax due for purposes of an extension is subject to revision upon completion of the final tax return. Any difference between the amount of tax computed for purposes of an extension and the final tax return may result in inadequate estimated tax payments and penalties and interest applied to the balance due. Any such penalties and interest are the responsibility of the taxpayer. It is the consensus of tax preparers that there is no way to ensure there will be no underpayment penalties for complex tax returns other than deliberate overpayment.

**We DO NOT automatically file tax extensions for our clients – you must notify us in writing, email or fax if you wish us to file an extension.**

Our fee for these services will be based upon the forms prepared & any additional work performed, plus any out-of-pocket expenses. All invoices are due and payable upon presentation. A finance charge is added to balances unpaid from prior months at the rate of 1% per month (12% per annum).

It is agreed that any unresolved disputes concerning the services provided by us will be settled by binding arbitration in Pima County, Arizona. There shall be a single arbitrator, who shall be a member of the Arizona Society of Certified Public Accountants, with a minimum of ten years of practice. The arbitrator shall have authority to award compensatory damages.

From time to time various third parties may request that we sign, for you, some verification of income, employment, or tax filing status. We can issue a comfort letter to your lender.

Because email is not secure, we offer a portal for you to send or receive information. Please ask for access.

We want to express our appreciation for this opportunity to work with you.  
Sincerely,



I have read the above terms of the engagement letter and agree with the terms of this engagement.

Accepted by: \_\_\_\_\_  
Taxpayer

\_\_\_\_\_   
Spouse (if present)

\_\_\_\_\_   
Date