

Morfín Financial Services

TAX PREPARATION, FINANCIAL COUNSELING & PAYROLL SERVICES

Dear CLIENT,

Thank you for engaging Morfín Financial Services to assist you in preparing your personal income tax returns. To ensure an understanding between us, this letter confirms the terms of our engagement and the nature, timing, and limitations of the services we will provide.

We will prepare your 2017 federal and state personal income tax returns from information you furnish us. We will not audit or otherwise verify the data you submit, although it may be necessary to request clarification and/or documentation of some of the information. Generally, we will rely on your representation that you have maintained the documentation required by law to support the information you provide, including expenses for meals, entertainment, travel, gifts, vehicle use, charitable contributions, etc. If you are not clear regarding what documentation is needed for any given item of income or deduction, we would be happy to advise you. Note that you have the final responsibility for the income tax returns and, therefore, you should carefully review them before you sign and file them or give authorization to e-file.

We have provided our Tax Data Organizer for your use. In addition, please provide us with copies of originals of all government tax documents including, but not limited to, W-2s, 1099s, 1098s, and property tax statements.

We will use our professional judgment in resolving issues when the tax law is unclear.

The filing deadline for the tax returns is April 18, 2018. In order to meet this filing deadline, we must receive your completed organizer and additional documents by Saturday, April 1, 2018.

If an extension of time to file is required, we will use the information available to us at the time to prepare the extension. To prepare a valid, accurate extension, we need as much information as is available. We also need your express written approval to file the extension on your behalf. **An extension, however, only provides you with an extension to file, not an extension to pay. Taxes paid after April 18th will result in penalties and interest.**

Under both federal and California law, we are required to electronically file your returns. However, you may opt out of electronically filing without explanation. If you would rather not e-file please let us know and we will provide you with the government opt-out forms you must sign and return to us.

If a joint return is prepared, tax returns and copies of all supporting documentation will be made available to either spouse without the consent or notification of the other spouse.

The IRS requires reporting of all foreign income. By signing this letter, you acknowledge that you will inform us if you have income from foreign sources or if you have signatory authority over any foreign account. If you are unsure whether income or an account is foreign, please ask and we are happy to review it. Note that the penalties for failure to report foreign activities are severe.

Your tax returns may be selected for review by the taxing authorities (an audit). If you are audited, we will be available to assist you. We charge at an hourly rate if you want in person representation at the audit.

We generally retain the final work product generated for our clients for four years. After four years, the documents are destroyed. We do not keep original documents - please do not give us originals, only copies of originals. It is your responsibility to keep copies of all records and organizers you submit to us for possible future use, including for audits.

We offer an encrypted portal service for sending and retaining your tax documents and tax returns located online at www.morfinfinancial.smartvault.com. We encourage you to use this service, but do not require it. If you would like to use the portal, please let us know and we will send you set up instructions.

Our fees for tax preparation services are based on the complexity of your tax returns. Our minimum fee is \$400.00. All invoices are due and payable upon receipt.

If you understand and agree with the above, please sign the enclosed copy of this letter and return it to our office. If this is a joint return, both spouses must sign.

Yours truly,
Morfin Financial Services

Acknowledged:

Signature: _____

Date: _____

Name: _____

Signature: _____

Date: _____

Name: _____