



## Cascade Tax Professionals, Inc.

785 Grant Street, Suite 200

Eugene, OR 97402

Phone 541-302-9445

Fax 541-359-1928

laurie@castax.com

**Subject: Preparation of 2022 Tax Returns and/or \_\_\_\_\_.**

**BASIC UNDERSTANDING:** Thank you for choosing Cascade Tax Prof., Inc. to assist with your 2022 Tax Returns and/or \_\_\_\_\_. This letter confirms our understanding of the terms and objectives of our tax services engagement and clarifies the nature and limitations of the services to be provided. This engagement only includes tax preparation. Tax planning will require a separate appointment.

It is your responsibility to provide us with all of the information necessary for the preparation of complete and accurate income tax returns. Completing and returning the questionnaires and organizers that we provide you, will assist us greatly. We are not required to audit or verify the information that you provide. Ethically, we are required to include all of the information given to us on your tax return. We will ask for clarification when we feel it is necessary and discuss the stringent laws regarding certain items. Please ask about various types of income and deductions.

For tax year 2022 and/or \_\_\_\_\_ years, we will prepare your federal return (Form 1040), and your resident state income tax return and all required states, and your resident local income tax returns (for example, LTD or TRIMET), if applicable. Let us know if there are additional returns that need attention. If you do not want us to prepare all required returns, you must let us know at the beginning of this engagement. \_\_\_\_\_

We are not investment counselors, brokers, or stock agents. With regard to investment and insurance advice, we will only advise you on the tax implications of specific matters you bring to our attention.

By law we will be e-filing all eligible tax returns, unless you elect out of the e-filing option in writing. E-filing expedites the processing of your tax return, increases accuracy and provides a formal acknowledgement. We e-file through a trusted third party provider and cannot be responsible for the return once it leaves our office.

We check the IRS Authorization Checkbox 'YES'. If you do not want us to check this box, please let us know. Checking this box **does not** give us Power of Attorney with respect to your tax return and we will not receive paper notices from tax agencies regarding your tax account. For Oregon, we may access your Revenue Online account to help us answer questions regarding payments, refunds etc... **If you receive any notice, please contact us to resolve and understand the issue.** Failure to act on such notices could have adverse effects.

**PRIVACY AND CONFIDENTIALITY:** We are governed by strict licensing laws regarding ethics and confidentiality. Communications regarding the preparation of your tax return will be kept strictly confidential. However, such communications are not protected by 'privilege' and we can be legally compelled to disclose them. We collect nonpublic information about you in order to accurately prepare your tax return. Most of that information is collected directly from you. Some information may come from third party sources with your permission. We do not disclose any nonpublic personal information about you to anyone, unless we are required to do so by law, or you give us express written permission to share such information. We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to guard your nonpublic personal information.

**OUR FEES:** We charge by the forms needed to complete your tax return. If we need to spend additional time (more than 20 minutes) performing tasks such as: researching complex tax law, sorting documents or calculating basis, there will be additional fees. Bookkeeping fees will be prorated at \$150.00 per hour and will be stated separately. If we need to meet with, talk to or write any taxing authority to clarify or discuss certain items on your return then there will be additional charges as appropriate. The fee for your tax preparation is due in full when you pick up your return or when you return your electronic filing signature page. We reserve the right to require advance payments and pursue collection activities.

**ACCOUNTING:** We will perform accounting services only as needed to prepare the tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for us to clarify some of the information submitted. We will inform you of any material errors, and / or other irregularities that we find.

**PENALTIES AND INTEREST:** The law imposes penalties when taxpayers underestimate their tax liability and/or pay late. Please ask us if there are any concerns about such penalties. We would recommend being ready to pay by April 15th (even if your return is not complete) to avoid penalties and interest for paying late. We will do our best to help you. As the filing deadline gets closer we are always very busy completing work already in the office. We need the majority of your information as early as possible by March 10th. Most of you are old pros at getting your things together and we really appreciate the effort. We won't start working on your tax return until we have the majority of your information. Opening and closing a return to enter information as it comes in bits and pieces is not time effective and makes it more difficult for us to ensure that every item is accurately included. There may be an underpayment penalty if you owe more than \$1000 to IRS or OR. Interest and late payment penalties immediately apply to any payment made after the April filing deadline. **AN EXTENSION IS AN EXTENSION TO FILE, NOT TO PAY.** Filing after the extension deadline will make you subject to LATE FILING PENALTIES which can be significant if you owe money.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on your behalf, the alternative you select so long as it is consistent with the codes, regulations and interpretations.

**EXTENSIONS:** We do our best to complete your return(s) in a timely manner by the filing deadlines. Our goal is to complete returns by the April deadline if we have most of the data by March 10th. Often times extensions are the best option for returns with many pieces or complex situations. We will let you know if we need to file an extension for you and (if possible) let you know how much you may need to pay in order to avoid penalties and interest for late payment.

**DOCUMENT RETENTION:** We will return your original records to you at the end of this engagement. You should securely store these records, along with all supporting documents, canceled checks, etc., as these items may later be needed to prove accuracy and completeness of a return. We will retain copies of the records and our work papers for the engagement for at least four years, after which these documents may be destroyed. We will also destroy any original documents which you have not picked up from us after four years.

**LIABILITY:** You, as our client, are very important to us. We always endeavor to prepare your returns as accurately as possible to ensure that you never pay more tax than is required. All preparers attend at least 30 hours of continuing education each year. Our office follows procedures to make sure that our work is checked for accuracy and quality. Human error is always a possibility. If we do make an error, we will resolve it as quickly as possible. We will not pay additional tax that might be due because of a correction. We will pay penalties and interest if appropriate. We limit any further liability on our part to the amount of fees paid.

Clients further acknowledges and agrees that in the event we stop work or withdraw from this engagement as required by firm policies or for just-cause, we shall not be liable to client for any damages that occur as a result of our ceasing to render services and **the client will be responsible to pay for the work performed through the date of withdrawal.** Clients can withdraw from the engagement with written notification and payment for work performed to date. Just cause shall include, but not limited to, clients' lack of full cooperation with representative; failure to maintain a retainer balance; requesting the firm to commit an improper or illegal act; failure to pay on a timely basis, reluctance to sign a written engagement letter, billing policy, or representation letter, or any action by client which would require us to perform a breach of professional ethics.

**CONCLUSION:** Our engagement to prepare the 2022 Tax Returns and/or \_\_\_\_\_ will conclude with the delivery of full copies of completed returns to you ready for signature and, if you are e-filing, electronic confirmation that your return has been accepted. If you are not e-filing, then you are solely responsible for filing the returns with the appropriate taxing authorities. By your signature below, you agree that you have the proper records to substantiate all items of income and deductions, and that you will carefully examine and approve the completed tax returns.

If you agree with the terms of this engagement, please sign this letter in the space indicated and return it to us. We will copy and return the original to you. We appreciate your confidence in us. Please call if you have questions.

Accepted By:  
(Both spouses must sign for preparation of joint returns.)

---

Taxpayer	Date	Spouse	Date
----------	------	--------	------

**Failure to sign and return this document does not constitute a lack of understanding of the scope of services to be provided. It is your responsibility to contact us if this letter does NOT outline your understanding.**