

## *Feltz Associates LLC*

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**SIGN &  
RETURN  
KEEP A COPY  
FOR YOURSELF**

Dear Client:

January 23, 2025

This letter is to confirm our understanding of the terms of our agreement and outline the nature and extent of services I will provide, and the terms under which I have agreed to do that work. Please read this letter carefully because it is important to both this firm and to you that you understand what you can and cannot expect from my work. If you are confused at all by this letter or believe I have misunderstood what you need, please call to discuss this letter before you sign it.

I will prepare your **2024 Federal** and applicable home **State** income tax returns from information you furnish me. **I do not use foreign, nor any other third parties for preparation of your tax returns.** It is important for you to know that the Internal Revenue Service imposes penalties on taxpayers, and on me as a return preparer, for failure to observe due care in reporting for income tax returns. Further, the law provides for a **penalty** to be imposed where a taxpayer makes a substantial understatement of their tax liability. This penalty is considerable.

★ The **QUESTIONNAIRE MUST** be answered and returned to me. If you fail to answer the questions, I will have to **STOP** working on your return until the questions are answered fully. This will take extra time and may incur additional charges to you when I prepare your bill. The Internal Revenue Service is requiring greater substantiation standards of tax preparers.

I will not audit or otherwise verify the data you submit although I may ask you to clarify some of the information. All the information you submit to me will, to the best of your knowledge, be correct and complete and include all other information necessary for the completion of your tax returns. I am not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest. I will rely, without further verification, upon information you provide to me from 3rd parties including, but not limited to, Forms W-2, 1099, 1098, Schedule K-1's, K-2's, K-3's, receipts, and similar items, etc.

**I am responsible for preparing only the returns listed previously. *If you have taxable activity in a state other than that specifically listed, or which is not generated by a Form W-2 which you provide to me, you are responsible for providing this firm with all information necessary to prepare any additional applicable state(s)' income tax returns as well as informing me of the applicable states, etc.*** If you have income tax filing requirements in a given state but do not file that return, there could be possible adverse ramifications such as an unlimited statute of limitations, penalties, etc. If you would like me to investigate to determine each state where you have an income tax filing requirement, please inform me in writing. Further, if there are additional returns you wish this firm to prepare, such as sales tax, property tax, PROPERTY TAX REIMBURSEMENT APPLICATIONS, HOMESTEAD BENEFITS, inheritance, gift or estate tax, other income tax returns for other entities, etc., please communicate that to me in a separate letter or email.

If you have derived **income from a foreign country**, I will use the foreign country income information which you provide to calculate any applicable federal or state foreign tax credit or other affected federal or state income tax items. However, you yourself are responsible for meeting any foreign country income tax or other foreign country reporting requirements. Additionally, you will be responsible for filing the yearly **FINCEN 114** which is due **APRIL 15<sup>TH</sup>** of each year, with extensions of time available with the filing of the extension form by April 15<sup>th</sup>. The FINCEN filing is a Separate Engagement. If you require my assistance with the FINCEN-114 which must be filed electronically, please call me no later than March 31<sup>st</sup>. The FINCEN preparation is a separate engagement requiring a specific Engagement Letter. Further, **INCOME GENERATED BY FOREIGN ACCOUNTS MUST BE REPORTED ON YOUR FORM 1040 INCOME TAX RETURN.**

It is your responsibility to maintain, in your records, the documentation necessary to support the data used in preparing your tax returns. If you have any questions as to the type of records required, please ask me for advice in that regard.

I will use my professional judgment in preparing your returns. Whenever I am aware that a possibly applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts), I will explain the positions that may be taken on your return. I will adopt whatever position you request

on your return so long as it is consistent with the Codes, Regulations, and interpretations that I have promulgated. If the Internal Revenue Service (or State) should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. I assume no liability for any such additional penalties or assessments.

I will also prepare 2025 Estimated Tax vouchers, if required, based on your income, deductions and withholding taxes for 2024, in most cases. If you anticipate a substantial change in income, deductions or withholding taxes for 2025, please advise me as soon as possible. In that event, I will determine whether an adjustment should be made to your tax estimates.

If I am asked to disclose any privileged communication, unless I am required to disclose the communication by law, I will not provide such disclosure until you have had an opportunity to argue that the communication is privileged. You agree to pay any and all reasonable expenses that I incur, including legal fees, that are a result of attempts to protect any communication as privileged. In addition, your confidentiality privilege can be inadvertently waived if you discuss the contents of any privileged communication with a third party, such as a lending institution, a friend, or a business associate. **Privacy regulations prevent me from faxing, mailing your returns to a third party, unless you have authorized me in writing using a special form (a disclosure and use consent forms that must be signed), as well as by phone.**



In the interest of facilitating my services to you, I may communicate by facsimile transmission or send electronic mail over the Internet. Such communications may include information that is confidential to you. While I will use my best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that I have no control over the unauthorized interception of these communications once they have been sent and you consent to my use of these electronic devices during this engagement. Please note, however, I WILL NOT E-MAIL YOUR INCOME TAX RETURNS TO YOU, unless in a password protected document. Further, **I will NOT send your Income Tax Returns to any third parties; but suggest and/or require that you submit them yourself.**



From time to time during our relationship, you may seek my advice with regard to potential investments. I am not an investment advisor. Similarly, I cannot offer Legal Advice. Accordingly, I suggest that you seek the advice of qualified investment advisors or Attorneys appropriate to each investment or Legal Matter being considered.

You have the final responsibility for your income tax returns. It is **your responsibility to carefully examine and approve your completed tax returns before** signing the Electronic authorization for electronic filing of the same – Form 8879, etc. - (or signing and mailing them to the tax authorities, if applicable).

Your returns are subject to review by the taxing authorities. Any items that may be resolved against you by the examining agent are subject to certain rights of appeal. In the event of an examination, I will be available upon request to represent you, or to review the results of any examination. **Billing for these additional services** will be at my standard rates for these specialized services.



Please pay special attention to the **Packet A** information regarding **Cryptocurrency/Virtual Currency**. **BOI is still temporarily suspended as of January 23, 2025.** It is Very Important that you provide complete information and answer the related questions on the Questionnaire.

The charges for my services are based on my fee schedule and also on the complexity of the returns.

I appreciate the opportunity to serve you. Please fill in your name and sign and date this letter to acknowledge your agreement with and acceptance of your responsibilities and the terms of this engagement. Failure to promptly return the executed engagement letter with or by the time you submit your documents for tax preparation may delay the initiation of my services. Please keep a copy of this letter for your records.

*Nancy M. Felz Paparazzo, EA*

NANCY M. FELTZ PAPAARAZZO, EA [hello@nancyfeltz.com](mailto:hello@nancyfeltz.com) or mirjo1@msn.com

ACCEPTED AND AGREED:

X \_\_\_\_\_ (SIGN & PRINT YOUR NAME) DATE \_\_\_\_\_

X \_\_\_\_\_ (SIGN & PRINT YOUR NAME) DATE \_\_\_\_\_