



TAX SERVICES ENGAGEMENT AGREEMENT

Tax Year: 2024

Client: _____

Thank you for choosing Tax & Accounting Solutions LLC to assist you with your 2024 taxes. This letter confirms the terms of our engagement with you and outlines the nature and extent of the services we will provide. The Internal Revenue Service imposes penalties on taxpayers, and on us as return preparers, for failure to observe due care in reporting for income tax returns. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to confirm the following arrangements.

1. **Income Tax Preparation.** We will prepare your 2024 Federal and New Mexico income tax returns and related schedules in accordance with appropriate tax laws and regulations. We will depend on you to provide the information we need to prepare complete and accurate returns. Your returns will be prepared solely from the information provided by you. We may ask you to clarify some items but will not audit or otherwise verify the data you submit. We will request that you fill out the Tax Questionnaire via the online tax portal to help you collect the data required for your return and avoid overlooking important information. If you were a prior year client, there will be a custom checklist to help you gather your documents.
 - a. **Additional State Filing Requirements.** The Client is responsible for determining their state or local tax filing obligations with all state and local tax authorities, including, but not limited to income, franchise, sales, use, and property taxes. The Client agrees that it is the Client's sole responsibility to research and conform to all filing obligations. If it comes to the Firm's attention that the Client may have an obligation to file additional tax returns for which the Firm has not been retained to prepare, the Firm will notify the Client. If the Client requires the preparation of additional returns, additional fees will be charged to reflect this service and shall be invoiced to Client by the Firm. This Agreement pertains to the **2024** tax year only, and the Firm is not responsible for any tax return unrelated to the **2024** tax year, to said agencies listed herein.
 - b. **Tax Deadline Reminders.** The Firm will provide the Client with reminders informing the Client of upcoming tax deadlines for which the Firm is made aware of. The Client acknowledges that they are responsible for ensuring the appropriate action is taken by the required deadline and will hold the Firm harmless for any penalties incurred as a result of a missed deadline.

Individual, Trusts & C-Corporation Deadlines: Individual and C-Corp tax returns are due by April 15, 2025. **We must receive all information to prepare your return no later than March 15, 2025** to ensure that your return will be completed by the deadline. If we have not received all of your information by that time, it will be necessary to file an extension.

Partnership & S-Corporation Deadlines: Partnership and S-Corp tax returns are due by March 15, 2025. **We must receive all information to prepare your return no later than February 15, 2025** to ensure that your return will be completed by the deadline. If we have not received all of your information by that time, it will be necessary to file an extension.

Non-Profit (Form 990): Non-Profit tax returns are due by May 15, 2025. **We must receive all information to prepare your return no later than April 15, 2025** to ensure that your return will be completed by the deadline. If we have not received all of your information by that time, it will be necessary to file an extension.

- c. **Extensions:** We do not file tax extensions for clients without your consent or unless specifically requested to do so. Please note that an extension is a request for time to file. It is not an extension of time to pay. Therefore, should you have a balance due on your return and it is not paid by the initial deadline, the balance will be subject to penalties and interest.
- d. **Estimated Tax Projections.** The Firm will provide the Client with a reasonable estimate of their current year income tax liability and recommend the amount to pay toward estimated tax payments. The Client acknowledges that it is their sole responsibility to ensure timely payment of these estimated tax payments to the appropriate tax authorities. The Client agrees to hold the Firm harmless for any penalties, interest, or other consequences resulting from late or missed payments. Additionally, the Client understands that the Firm's projections are estimates and that their actual tax liability may be greater or less than the amounts projected by the Firm. The Client further acknowledges that an underpayment of estimated tax payment penalty may apply if the Client fails to make estimated tax payments in accordance with the Internal Revenue Service ("IRS") Safe Harbor Rule. The Client will meet the Safe Harbor Rule for Estimated Tax Payments if the Client owes a tax liability of less than \$1,000, or the Client pays 100% (or 110% for AGI over \$150,000) of the prior-year tax liability or the Client pays 90% of their liability for the current tax year. Estimates will be calculated based on the income information available when preparing your tax return. If you need updated estimates or additional tax planning, this will be a separate service billed in addition to tax preparation unless your tax package includes revised estimates.
- e. **Accounting Services.** We will perform accounting services only as needed to prepare your tax returns. Our work will not include procedures to find misappropriations 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 you to clarify some of the information you submit. Should we discover any material errors or other irregularities, we will inform you of such findings.
- f. **Foreign Income.** If you have derived income from a foreign country, we will use the foreign country income information which you provide to calculate any applicable federal or state foreign tax credit or other affected income tax items. However, you are responsible for meeting any foreign country income tax or other foreign country reporting requirements.
- g. **Tax Law:** 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 that have been promulgated. If the IRS should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any such additional penalties or assessments. We are not responsible for the disallowance of doubtful deduction or inadequately supported documentation, nor for resulting taxes, penalties and interest.
- h. **Investments / Other Entities:** Tax & Accounting Solutions LLC is not permitted to give advice regarding investments. We recommend that you seek the advice of qualified investment advisors should you need such services. TAS LLC is neither required nor responsible for reviewing or advising regarding your participation in business ventures and investment entities including but not limited to trusts, partnerships, joint ventures, and tax avoidance or tax deferral ventures. This engagement does not include any services related to the administration of trusts. The Firm will not act as a trustee, perform fiduciary responsibilities, or provide any administrative services related to trust management, such as distribution of assets, trust accounting, or compliance with trust-specific legal requirements. Clients seeking such services should engage a qualified trust administrator or fiduciary professional. You should refer to an attorney of your choice all questions that may affect your tax status due to the operation, administration, management or participation in such entities. We will adopt any position you request on your tax return, provided it aligns with the established codes, regulations, and interpretations.

2. Tax Audit Protection & Identity Theft Plan – Individuals Only

- a. **Tier 1 Protection Plus Audit Defense – Individuals Only (Automatic Enrollment):** All individual tax returns will automatically include enrollment in the Tax Audit Defense program offered through Protection Plus. This program provides Audit Defense, Identity Theft Restoration, and a \$2,500 Tax Preparation Guarantee. Additional information about the program will be provided to you, and you will work directly with Protection Plus for these services.

- b. **Tier 2 Enhanced Tax Notice & Audit Support:** For those seeking additional support, we offer an Enhanced option to assist with administering and working directly with Protection Plus to address any tax notices or audits. This enhanced service is available for 15% of the tax preparation fee, not to exceed \$200.
3. **Notice/Audit Protection Plan – Business Entities (Partnerships, S-Corps, C-Corps)**
- a. **Tier 1 Business Notice Protection Plan** – The business plan will include responding to written additional information notices from the IRS or state tax authorities. Tier 1 service is available for 15% of the business tax preparation fee.
 - b. **Tier 2 Business Notice & Audit Protection** – This plan will provide 6 hours of additional audit representation services and 4 phone or in-person consultations regarding the audit. Tier 2 service is available for 20% of the business tax preparation fee.
4. **Tax Preparation Fees**
- a. Tax preparation fees are based on the size and complexity of the tax return and **preparation fees are due upon the completion of the tax return**. Preparation fees must be paid in full prior to signing and e-filing the tax return. Additional charges may include (but not limited to): research basis of stock sales or assets sold, NOL's, multi-state returns, accounting or bookkeeping compilation, tax planning, amended tax returns, FAFSA reports, FBAR reports, or assistance with banking or credit applications. Our fees for this engagement are not contingent on the results of our services.
 - b. Client understands that the Fee does not depend on the results obtained. Client acknowledges that this Fee is negotiated and is not set by law. The Client acknowledges that all fees are subject to change. All amounts paid by Client are non-refundable.
 - c. Tax consulting or tax planning fees are charged at \$250 per hour. Audit representation fees are charged at \$350 per hour.
 - d. In the event that the Client's credit card payment is declined, the Firm will make additional attempts to process payment for Services. Payments received after the due date are subject to a Late Fee of Fifty Dollars (\$50.00) and will collect interest at a rate of two and one-half (3.5%) per month or the maximum rate allowed by law. An unpaid balance is determined by taking the beginning balance of an account for each month, adding any new charges and subtracting any payments made to a client's account. The Firm then multiplies this amount by the monthly periodic interest rate to compute the late charge for an account for that month.
5. **Expenses and Other Fees.** The Firm may incur various costs and expenses while performing Services under this Agreement. Client agrees to pay for all costs, disbursements, and expenses in addition to the Fee. The costs and expenses commonly include but shall not be limited to, process charges, filing fees, and other similar items. The Firm will obtain Client's written consent before incurring any costs in excess of Fifty Dollars (\$50.00). The Firm will send Client periodic invoices for expenses and costs incurred. Each bill will be payable within ten (10) days of its mailing date. [] Client consents to the Firm charging the Client's card on file for any additional fees and/or expenses without prior consent.
6. **Communication.**
- a. **Privacy.** The Client will be provided with methods to contact the Firm via phone, email, and other methods of electronic communication. Client acknowledges that communications with the Firm using e-mail, text messaging, video chat, instant messaging, and cell phone are not guaranteed to be secure or confidential methods of communication for sending or receiving sensitive financial information and acknowledge that e-mail and text messages are transmitted over a public network that may be intercepted, altered, forwarded, or used without authorization or detection. Further, e-mail and text message senders can easily type in the wrong address, and therefore, be received by an unintended recipient. As such, by signing this Agreement and when communicating with the Firm via e-mail or text message, Client understands and accept the risks of communication in this manner. Client acknowledges that conversations over certain communication platforms are highlighted as preferable based on higher levels of data encryption, but many communication platforms, including e-mail, may be made available to the Client. If Client wishes to send e-mail or text

communications to the Firm and receive e-mail or text message responses, the Firm will take all reasonable steps to keep communications confidential and secure. If the Client initiates a conversation in which the Client discloses financial information on one or more of these communication platforms, the Client has authorized the Firm to communicate with the Client regarding sensitive financial information in the same format.

- b. **Client Portal.** A personalized member portal has been provided to Client by third-party, for protected and sensitive information. It is an encrypted, internet-based portal that is highly regulated and secure. Client will be provided with his or her own personal login information that is not to be shared with anyone.
7. **Delivery of the Records.** Client is entitled, upon written request, to any files in the Firm's possession relating to the Services performed by the Firm for the Client, excluding the Firm's internal accounting records or other documents not reasonably necessary to the Services provided hereunder. At the end of the engagement, Client may request the return of Client's case file. If Client has not requested the return of Client's file, and to the extent the Firm has not otherwise delivered it or disposed of it consistent with Client's directions, the Firm will retain the case file for a period of Five (5) years after which the Firm is authorized by this agreement to have the case file destroyed. If Client would like the Firm to maintain Client's case file for more than Five (5) years after the conclusion of the Firm's services for Client on a given matter, a separate written agreement must be made between the Firm and Client, which may provide for Client to bear the cost of maintaining the file. In the event Client requests that the Firm transfer possession of Client's case file to Client or a third party, the Firm is authorized to retain copies of the case file at the Firm's expense. The case file includes Client papers and property as defined in Treasury Department Circular No. 230.
8. **Discharge and Withdrawal.** Client may discharge the Firm with written notice no less than thirty (30) days prior to the next expected payment due date. The Firm may withdraw with Client's consent or for good cause or if permitted under the Treasury Department Circular No. 230 and/or applicable law. Among the circumstances under which the Firm may withdraw are: (a) with the consent of Client; (b) Client's conduct renders it unreasonably difficult for the Firm to carry out the Services effectively; and/or (c) Client fails to pay The Firm's fees or costs as required by this Agreement. Notwithstanding the discharge, the Client will remain obligated to pay the Firm at the agreed rates for all Services provided up to the date of termination and to reimburse The Firm for all costs advanced. Should the Client terminate the Services before the Firm has provided all Services described in this Agreement, the Client forfeits their right to a refund unless prior written approval from the Firm is provided to the Client detailing the terms of the refund.
9. **Conclusion of Services.** When the Services conclude, whether by completing the Services, or by discharge or withdrawal, all unpaid charges for fees or costs will be due and payable immediately. The Firm's engagement will conclude with the delivery of a closing letter.
10. **Confidential Information.** For purposes of this Agreement, "Confidential Information" means and will include: (i) any information, materials or knowledge regarding the Client and its business and financial condition, that is disclosed to the Firm or to which the Firm has access in connection with performing Services; and (ii) the existence and terms and conditions of this Agreement. Confidential Information will not include, however, any information that is or becomes part of the public domain through no fault of the Firm or that the Client regularly gives to third parties without restrictions on use or disclosure. The Firm agrees to hold all Confidential Information in strict confidence, not to use it in any way, commercially or otherwise, except in performing the Services, and not to disclose it to others
11. **Disclaimers.**
 - a. The Client acknowledges and understands the Firm and its employees are not registered investment advisors; therefore, the Firm will not give any investment advice as part of the Services.
 - b. The Client acknowledges and understands the Firm will prepare the Client's tax returns based on information and representations that the Client provides to the Firm. The Firm will not audit or otherwise verify the data the Client submits to the Firm, although the Firm may ask the Client to clarify some of the information provided. The Firm will prepare the tax returns solely for filing with the IRS and applicable state and local taxing authorities. The above-mentioned returns are not intended to benefit or influence any third party, either to obtain debt or equity financing or for any other purpose other than the purpose intended by the taxing authorities.

- c. ALTHOUGH THE FIRM WILL USE ITS BEST EFFORTS AS AN ENROLLED AGENT FOR THE CLIENT TO REPRESENT THE CLIENT IN ACHIEVING THE MOST FAVORABLE POSSIBLE RESULT FOR THE CLIENT, WE MAKE NO REPRESENTATION OR PREDICTION THAT ANY GIVEN RESULT WILL OCCUR AS A RESULT OF SUCH EFFORTS.
 - d. Nothing in this Agreement and nothing in the Firm's statements to Client will be construed as a promise or guarantee about the outcome of the matter. The Firm makes no such promises or guarantees. The Firm's comments about the outcome of the matter are expressions of opinion only, are neither promises nor guarantees, and will not be construed as promises or guarantees.
 - e. Any deposits made by Client, or estimate of fees given by the Firm, are not a representation of a flat fee and will not be a limitation on fees or a guarantee that fees and costs will not exceed the amount of the deposit or estimate. Actual fees may vary significantly from estimates given.
12. **Professional Liability Insurance Disclosure.** Pursuant to Treasury Department Circular No. 230, the Firm hereby informs the Client that the Firm maintains professional liability insurance.
13. **Relationship of the Parties.** Nothing in this Agreement shall be construed to create a partnership, joint venture, employment, or agency relationship between the Firm and Client.
14. **Choice of Law & Dispute Resolution.** This Agreement will be governed and interpreted in accordance with the laws of the State of New Mexico. Any and all controversies arising under this Agreement or in connection with the existence, execution or validity hereof, or in connection with the Firm or its property, shall be first submitted to mediation and then settled by arbitration in Santa Fe New Mexico, unless the parties are able to arrive at a mutually satisfactory resolution to any such controversy by written agreement. Any arbitration hereunder shall be before one neutral arbitrator and administered by Judicial Arbitration and Mediation Services ("JAMS") pursuant to its Comprehensive Arbitration Rules and Procedures and in accordance with the Expedited Procedures in those Rules, or if the parties agree, pursuant to JAMS' Streamlined Arbitration Rules and Procedures. Each party will be responsible for any fees and costs, including, but not limited to, attorney's fees resulting from the arbitration.
15. **Indemnification.** The Client agrees to indemnify, hold harmless and defend the Firm from any and all liabilities, including but not limited to, litigation costs and attorney's fees that may be arise as a result of the Client's negligence or breach of any of the representations herein.
16. **Exhibits.** All exhibits and attachments referred to herein will be considered a part hereof for all purposes with the same force and effect as if set forth verbatim herein.
17. **Limitation of Liability.** In any event, the Firm's maximum liability for any reason relating to the services under this Agreement shall be limited to the amounts paid to the Firm for the Services giving rise to the liability.
18. **Entire Agreement.** This Agreement contains the entire agreement of the parties. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties.
19. **Severability.** If any provision of this Agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in effect.
20. **Modification.** This Agreement may be modified or amended by subsequent agreement of the parties only by an instrument in writing executed by both of the parties.
21. **Assignment.** The parties may not assign or transfer any of their rights or delegate any of their obligations under this Agreement, in whole or in part, without the other party's express prior written consent. Any attempted assignment, transfer or delegation, without such consent, will be void. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the parties permitted successors and assigns.

22. **Notices.** All notices required or permitted under this Agreement will be in writing and delivered by email, by courier or overnight delivery service, or by certified mail, and in each instance will be deemed given upon receipt.
23. **Effective Date.** This Agreement will govern all tax services performed by The Firm on behalf of Client commencing with the date The Firm first performed Services. The date at the beginning of this Agreement is for reference only. Even if this Agreement does not take effect, Client will be obligated to pay the Firm the reasonable value of any Services the Firm may have performed for Client.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the Effective Date.

TAXPAYER

Print: _____

Sign: _____

Date: _____

SPOUSE

Print: _____

Sign: _____

Date: _____