

# REPRESENTATION AGREEMENT

Acceptance by Client constitutes mutual understanding and agreement with all terms & engagement of Monica Haven  
(Work shall not begin without signed Agreement on file)

Client Name(s): \_\_\_\_\_

## Scope

This document serves to confirm that Taxpayer (Client) has retained Enrolled Agent (EA) for representation in connection with income tax returns selected for examination by the

Internal Revenue Service                       Franchise Tax Board                      Year: \_\_\_\_\_

Client understands that he has engaged EA to represent him in *one issue only* and that ensuing matters must be addressed via a new and separate engagement. This contract covers

Audits     Collections\*  
 Appeals     Other: \_\_\_\_\_

\* Collection resolutions may run the gamut from full payment of tax liability to payment on an installment plan to abatement merely of penalties and interest to audit reconsideration to deeming the account as uncollectible to an Offer-in-Compromise or even bankruptcy.

Client acknowledges that EA's representation services do not include any litigation in any state or federal court, nor before any other tax agency not mentioned above.

## Supporting Documentation

Client agrees to provide EA with all tax records and documents upon request. Supporting data and financial disclosures may also be required. Client also agrees to provide a signed Power of Attorney, a complete copy of the relevant tax returns and all source documents as well as any government correspondence received pertaining to this matter. It is important to comply with deadlines set by the examining authorities as they are otherwise within their right to initiate enforcement actions. Should Client fail to supply documentation in a timely manner, EA reserves the right to terminate this agreement without further obligations.

## Communications

Once a Power of Attorney has been signed, it is important that *Client does not communicate* directly with the tax authorities. All calls and communications must be referred to EA immediately. If Client should receive any correspondence from a tax agency regarding a tax matter for which EA represents him, Client should open, read, and forward the letters immediately via mail or fax to EA. Client need not be afraid to sign for Certified Mail. If Client should receive any telephone calls from a tax collector, Client should get his name and number but not discuss any aspect of the problem, and call EA immediately. If Client has previously provided any information, documentation or disclosures to the tax authorities, it is imperative that Client inform EA thereof immediately. Upon resolution of this matter, Client shall revoke Power of Attorney.

## Potential Consultation

EA will have primary responsibility for all tax matters but may request advice and assistance from associates and professionals with specific expertise, as deemed necessary and applicable. Client shall reimburse EA for any consultation costs, if incurred.

## Confidentiality

Client is hereby given notice that all communications throughout the representation process with EA are confidential, but *not privileged* and may be disclosed if a summons is issued. The working papers for this engagement are the property of EA and constitute confidential information. Any requests for access to these materials will be discussed with Client before making them available to other parties. Limited privilege may be available during the representation process under IRC §7525. Client may advise EA to assert this privilege in non-criminal tax matters involving the Internal Revenue Service or federal district courts. Client, however, should be aware that disclosure of information considered during the representation process is not covered under privilege—only tax advice communications are covered. Client hereby agrees to reimburse EA for all costs, including legal fees, required to defend the privilege asserted or respond to a subpoena. *Client should immediately engage legal counsel if he has any concerns regarding possible criminal matters.*

## Privacy

EA does not disclose nonpublic personal information about current or former clients to anyone unless instructed in writing to do so by Client [see Disclosure Authorization]. EA will not perform a conflict check; Client remains solely responsible for identifying and disclosing actual or potential conflicts of interest to EA. If a joint return is filed, EA may provide returns and copies of supporting documentation to either spouse without consent from or notification to the other spouse [see Spousal Conflict Waiver]. EA restricts access to nonpublic personal information to those professionals who may assist in the representation process or provide adjunct services. EA has instituted all reasonable measures, including physical, electronic and procedural safeguards to protect Client's nonpublic personal information. Client assumes the risk of loss of confidentiality and/or tax documents during unencoded electronic transmission or mailing via USPS and third party delivery services. Client is hereby informed EA can provide tax and financial planning services only with Client's written consent. [See separate TIGTA Consent Form.]

## Solutions

If an Offer-in-Compromise is submitted to the Internal Revenue Service, Client understands that the statute of limitations is suspended while the offer is pending and for one additional year thereafter.

Please initial Page 1 to confirm that you have read Page 1: Client: \_\_\_\_\_ Spouse (RDP): \_\_\_\_\_

**Monica Haven, EA, JD, LLM**

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### Interim Actions

Collection enforcement by the tax authorities is typically suspended during negotiations, but EA cannot guarantee that erroneous or premature levies upon Client's bank account will not be made. Thus, it is best to maintain minimal balances in your current account or even open a new account to protect your assets in the interim.

### Preventative Measures

To prevent future tax problems, Client must comply with all filing and payment obligations, including adjusting wage withholdings, making proper and timely estimated and/or payroll tax payments, and filing subsequent tax returns on time. EA recommends that all Client use Certified Mail to verify all payments and filings send to the tax agencies. Client may be required to establish and adhere to current and future budgets to avoid potential shortfalls.

### Emergency Procedures

Once EA assumes management of Client's case, levies and garnishments are rare, but possible. These are usually *one-time* occurrences and generally do not attach to future bank deposits. Client should not panic and do the following:

- Determine amount of attachment—the bank must submit this amount to the IRS within 21 days and to the FTB within 10 days.
- Immediately fax a copy of the notification of garnishment to EA and provide contact information for bank representative responsible for responding to levies.

Levies on salaries and wages are *continuous* until released by the tax authority. Once again, Client must immediately fax a copy of the notification of garnishment to EA and provide contact information for Payroll Department employee responsible for responding to levies. Please note that IRS wage levies typically attach approximately 80% of net take-home pay while the FTB attaches only 25%.

### Fee Arrangement

EA shall be compensated on an hourly basis at the rate of \$225. Extraordinary costs, including but not limited to telephone and fax charges, messenger services, postage, photocopying, research costs, travel and mileage expenses, shall also be billed to Client. A retainer in the amount of 50% of estimated charges is due upon initiation of the contract (*minimum retainer is \$700*). Charges for all work done will be applied to against the retainer and additional amounts will be billed monthly. Client shall *pay all invoices promptly upon presentation*. A penalty will be assessed monthly based on an annual rate of 10% of the outstanding balance. No additional services will be provided by EA until the account has been brought current. EA may take legal action to collect any outstanding fees and any legal costs incurred during the collection process will be added to Client's bill. EA will provide an estimate of fees in advance, but retains the right to modify the quote as the representation process continues, new issues are identified and/or additional work is required.

### Limitations

EA's services are not intended to determine whether Client has filing requirements in taxing jurisdictions other than the one(s) Client has mentioned to EA. EA will not advise Client regarding the classification of workers as employees or independent contractors and urges Client to obtain competent legal advice regarding employment practice matters. EA will not be responsible for mis-deliveries by the USPS or other private carriers. Upon request, Client shall be provided with tracking information and may personally make arrangements and cover the costs of re-delivery or replacement of lost tax returns. EA may terminate engagement for Client's lack of cooperation with the representation process, for lack of payment or for other reasons with written notice to Client at any time. Client agrees to indemnify and hold EA harmless from all claims, including third party claims and other liabilities, costs and expenses incurred by reason of any action taken or omitted by using good faith arising out of this engagement, except for matters judicially determined to be caused by EA's gross negligence or bad faith.

### Termination of Contract

Either party may terminate this agreement at any time. However, Client shall be held responsible for all fees and expenses incurred up until EA has received formal written notification of contract termination. Upon conclusion of this engagement, EA's power of attorney is deemed revoked and EA shall have no further responsibility to Client or liability for this case.

### Document Retention

Client's final work product will be retained for five years; thereafter, all documents will be destroyed without further notice to Client. Physical deterioration or catastrophic events may shorten this term. Client understands and agrees that in the event a file is destroyed, EA will no longer have any records and will not have any responsibility to reconstruct the file. Client will assume all costs of shipping and storage should Client notify EA in a *timely manner* that the file should be forwarded to Client prior to destruction. EA does not retain any original documents as they are returned to Client at the completion of the representation process. It is the Client's responsibility to keep these materials for future use, including possible examination by the tax authorities. Client may request duplicate paper or electronic copy of a return that EA has prepared for a \$50 processing fee.

### Dispute Resolution

Any dispute arising under this Agreement or relating to EA's services, including but not limited to disputes regarding fees, the scope of the engagement or professional malpractice, will be first submitted for non-binding mediation or alternative dispute resolution before litigation is filed. Litigation, if undertaken, shall be conducted in the County of Los Angeles, California according to California state law.

### Caveat

**CLIENT UNDERSTANDS THAT EACH SITUATION IS UNIQUE AND THAT IT IS DIFFICULT TO PREDICT THE OUTCOME. EA DOES NOT MAKE EITHER REPRESENTATIONS OR GUARANTEES REGARDING THE OUTCOME OF THIS CASE. FURTHERMORE, CLIENT UNDERSTANDS THAT ALL RESULTING LIABILITIES FOR TAXES, INTEREST, AND PENALTIES REMAIN WITH THE TAXPAYER.**

Please sign & date Page 2 to confirm acceptance of this Agreement in its entirety [If married, both spouses *must* sign]:

Client Signature: \_\_\_\_\_ Print Name: \_\_\_\_\_ Date: \_\_\_\_\_  
Spouse's (RDP's) Signature: \_\_\_\_\_ Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

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