

ENGAGEMENT AGREEMENT FOR TY 2023

Acceptance by Client constitutes mutual understanding and agreement with all terms & engagement of Monica Haven (EA)

→ Work will not begin without signed Agreement on file – please initial on Page 1 & sign on Page 2 ←

Client Name(s): _____

Fee Estimate: _____
Date: _____

Client Responsibilities

Supporting Data – Client may refer to *Substantiating Documentation Required* in Client Packet available on [Home](#) page

Client states that Client has the necessary documents and records to support the deductions claimed on the tax return and will provide all requested information in a timely manner. Client may use Personal Tax Organizer™ (or other format) to provide all information requested and answer all questions asked in a clear and legible format. Client is advised that the law imposes a penalty for substantial understatement of the tax liability and that tax authorities regularly question whether any cash or bartering transactions have transpired. Close scrutiny of expenditures, including but not limited to travel and entertainment expenses, business use of vehicle and cell phones, as well as charitable donations is common. EA must provide full disclosure to tax authorities should estimates or reconstructed data be entered on the return.

Foreign (& Cryptocurrency) Activities

Client is hereby advised that Client is responsible for reporting all foreign activities. By signing this Agreement, Client acknowledges Client's obligation to inform EA if Client has income from foreign sources, has signatory authority over foreign accounts, owns foreign financial assets, invests in foreign retirement plans or has made transactions in virtual currencies. NOTE: Penalty for failure to comply can be punitive.

Appointments

Due to ongoing COVID safety precautions, in-person appointments and on-site drop-offs are unavailable. Tax data may be submitted by mail, fax or [secure upload](#). To complete the tax preparation process, Client must return a signed Acceptance Agreement and pay all outstanding tax prep fees. Thereafter, EA will provide e-authorization forms which Client must sign and return so that EA can e-file on Client's behalf.

Timeliness

Client agrees to timely deliver requisite tax data and supporting documentation and will not hold EA responsible for delays due to Client's lack of cooperation during the tax preparation process. A surcharge of 5% may be assessed if Client provides data to EA more than 10 days after EA's initial request. EA may terminate contract without further notice if Client fails to provide requested data. NOTE: EA will give priority of service to clients who have timely provided data and otherwise cooperated with the tax preparation process.

Extensions (all dates 2024)

The filing deadline for individual returns is April 15th [entities may be subject to other deadlines]. If EA has not received Client's personal income tax data in full by *March 15th*, an extension request can be filed for a \$125 processing fee *if* Client provides authorization and a good faith estimate of the expected tax liability. Tax data for business entities, estates and trusts must be submitted 30 days prior to applicable filing deadline. EA will not provide ongoing reminders of filing deadlines or requests for information. NOTE: Since an extension merely extends the time for filing (not payment), penalties and interest for late payment may accrue for which the Client will be wholly responsible. Client must sign Form 8878 to authorize electronic funds withdrawal for any federal balance due [states may require separate forms].

Additional Forms & Taxes

Client understands that Client may be subject to additional tax filing requirements, including but not limited to prior-year and amended returns, payroll tax, 1099 reporting, business tax, sales and use tax, as well as foreign account and tax reporting. If asked, EA will assist with the requisite forms, but Client remains responsible for establishing and meeting all of his reporting and payment obligations.

Courtesy Notification

Client is under no obligation to engage EA from year to year. Nevertheless, EA hereby informs Client that Client may have annual tax filing obligations and must notify EA should Client wish to discontinue services or hire another practitioner.

Client Review

Client is wholly responsible for the accuracy of the return and will—after careful review—sign and deliver the completed return(s) to the proper taxing authorities or authorize EA to file electronically. NOTE: Client is responsible for all penalties and interest.

Tax Notices

Client agrees to *promptly* notify and forward copies of any communications received from tax authorities to EA for review and advice. Client should keep all originals (including envelopes). If Client wishes to be represented by EA, additional forms, fees and expenses should be anticipated [see Representation Agreement]. In lieu of signing Form 743, Client hereby authorizes EA to have view-only access to all information available on FTB's website that is associated with Client's taxpayer ID (authorization remains in effect until revoked in writing).

Communications

The primary method of information exchange between Client and EA will be electronic. Client must regularly update e-address with EA. Communications sent to Client's last-known e-address are deemed to have been delivered, whether or not Client acknowledges receipt. However, to ensure effective communications, Client is asked to respond to each e-mail; if only to say, "Got it!" or "Thank you."

Payment Terms

When data is submitted to EA, Client will prepay one-half of the applicable tax preparation fee (*minimum prepayment shall be \$750 in all cases*). The *balance is due upon delivery* – whether physical or virtual – of the completed return; whether or not Client chooses to file the return as prepared. Payment may be made via cash, check or PayPal™. Client will *forfeit all discounts* which may have been previously applied if balance is not paid in full within 10 days and a penalty will be assessed monthly based on an APR of 6% of the outstanding balance (*minimum penalty \$75*). No additional services will be provided by EA until the account has been brought current. Prepaid deposits are deemed non-refundable once the preparation process has begun. EA may take legal action to collect any outstanding fees and all costs incurred during the collection process will be added to Client's bill; additionally, Client's confidential tax information may be shared with third parties during the collection process. Bank fees for checks returned for non-payment will be billed to Client (*minimum fee \$60*). Client will pay a \$50 penalty for any appointment missed and not canceled with timely notification.

Document Retention

EA's final work product will be retained for five years; thereafter, all documents will be destroyed by EA 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 *timely* notify EA 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 tax preparation process. It is Client's responsibility to keep these materials for future use (e.g., possible examination by the tax authorities). A duplicate paper or electronic copy of a recent return prepared by EA is available for \$150. Client may request the retrieval of physical files or data older than the prior tax year for a minimum fee of \$350.

Please initial Page 1 to acknowledge Client Responsibilities:

Client: _____

Spouse (RDP): _____

Monica Haven, E.A., J.D., L.L.M.

1534 South Edris Drive * Los Angeles, CA 90035 * (310) 286-9161 * FAX (310) 557-1626 * e-mail: mhaven@pobox.com * website: www.mhaven.net

Tax Practitioner Responsibilities

Mission

Returns will be prepared based on information provided by Client. EA will not audit nor verify the data and may request additional material or clarification. EA will make every attempt to properly apply the law and legally minimize Client's tax liability. EA will exercise professional judgment and will, whenever possible and justifiable, attempt to resolve any issues involving the Code in favor of Client.

Practice Standards

EA may not sign a return as a paid preparer if EA determines that the return contains a position that does not have a realistic possibility of being sustained on its merits unless the position is not frivolous and is adequately disclosed to the IRS as per IRC §6662. EA must inform Client of penalties likely to apply regarding the position advised, prepared, or reported and must advise Client of any opportunity to avoid such penalty by making adequate disclosure. EA may rely in good faith (without verification) upon all information furnished by Client; however, EA must make reasonable inquiries if the information appears to be incorrect, inconsistent, or incomplete.

Confidentiality

Client is hereby given notice that all communications throughout the tax preparation 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 tax preparation 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 Client has any concerns regarding possible criminal matters.*

Privacy

EA does not disclose nonpublic personal information about current or former clients to anyone unless instructed to do so in writing 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 preparation 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.

Duties

EA will provide Client with a signed copy of the completed return. Client should retain this and all related materials safely for a minimum of five (5) years. EA will be *available year-round* to address any Client concerns and to provide tax-planning advice for an additional fee and only with Client's written consent, although EA will not be responsible for implementation of suggestions made [see TIGTA Consent Form].

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; Client may purchase a nexus study under separate agreement for an additional fee. 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 has no duty to detect fraud or uncover Client's fraudulent activity. EA will not be responsible for mis-deliveries by the USPS or other private carriers. Client will 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 preparation 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.

Duration of Engagement

Engagement will begin once Client has signed Agreement; however, in the event that Client does not return signed Agreement to EA but nonetheless verbally agrees (or otherwise indicates by such actions as submitting the tax organizer, providing tax data, or filing the prepared returns) that EA shall prepare returns on Client's behalf, all terms and conditions of this Agreement shall apply. Client's signature on federal and/or state e-file authorization form(s) shall be deemed acceptance by Client of all terms in Engagement Agreement. Engagement of EA's services will be deemed satisfied upon delivery of completed returns to Client who is solely responsible for filing all tax returns with the appropriate tax authorities. Additional services such as tax planning, communications with tax authorities, preparing prior-year unfiled returns, and many others may be provided under separate agreement between Client and EA.

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.

Cost of Service

Fees for tax preparation will be based on the complexity of the return, expertise required, and time expended by EA and will increase annually to remain commensurate with the skill, knowledge, expertise, and continuing education required by regulatory authorities. Extraordinary expenses and additional services, incl. but not limited to tax file organization, data compilation, cost basis calculations, research, replacement of lost returns, postage (\$45 min. fee for UPS delivery), correspondence with taxing authorities, bookkeeping, tax consultation and audit representation, will be billed on an hourly basis (\$350/hour). Client may pay by cash, check or PayPal™. Client's returns will not be e-filed until EA's fees have been paid in full or alternate payment arrangements have been agreed upon. For an additional fee, Client may purchase a *Service Contract*, entitling Client to free year-round tax consultation in lieu of an hourly fee, at a cost of \$200/calendar year if paid at time of return preparation or \$250 if paid later. Client may—when appropriate—be automatically invoiced for Service Contract at EA's discretion. Client agrees to review all invoices upon receipt; absent any objection within 30 days, the invoice will be deemed correct, due and payable.

Discounts (all dates 2024)

Client, if eligible, may enjoy one of the following 15% discounts: Student, Senior, Out-Patient, or Multi-Return. Client may also be eligible for an additional Early-Bird Discount (10%) if COMPLETED data is delivered to EA by *February 16th*; whereas a surcharge of 5% will be assessed for data delivered after *March 15th* if filing April 15th or *September 13th*, if filing October 15th [entity data must be submitted 30 days prior to applicable filing deadline]. All discounts will be voided if Client has not paid EA's invoice in full within 10 days after initial billing.

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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