

ENGAGEMENT AGREEMENT FOR TY 2023 Tax Return

Acceptance by Client constitutes mutual understanding and agreement with all terms & engagement of Tammy M. DaSilva, AFSP - *Work will not begin without signed Agreement on file – please initial on Page 1 & sign on Page 2*

Client Name(s): _____

Clients Initials: _____

Client Name(s): _____

Client Initials: _____

Client Responsibilities

Supporting Data – Client may refer to *Substantiating Documentation Required in Client Packet available on 2024 Tax Prep 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. TMD SERVICES, LLC 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 TMD SERVICES, LLC if Client has income from foreign sources, has signatory authority over foreign accounts, owns foreign financial assets, invests in any foreign retirement plans or has made transactions in virtual currencies. NOTE: Penalty for failure to comply can be punitive.

Appointments

You may schedule an In-Office, Face to Face appointment through my website. Tax data may be submitted by mail, fax or [secure upload, you will find this on my website](#). To complete the tax preparation process, Client must return a signed ENGAGEMENT Agreement (THIS DOCUMENT) and pay all outstanding tax prep fees. Thereafter, TMD SERVICES, LLC will provide e-authorization forms which Client must sign and return so that TMD SERVICES, LLC can e-file on Client’s behalf.

Timeliness

Client agrees to timely deliver requisite tax data and supporting documentation and will not hold TMD SERVICES, LLC 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 TMD SERVICES, LLC more than 10 days after TMD SERVICES, LLC’s initial request.* TMD SERVICES, LLC may terminate contract without further notice if Client fails to provide requested data. NOTE: *TMD SERVICES, LLC 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 TMD SERVICES, LLC has not received Client’s personal income tax data in full by **March 22nd**, an extension request can be filed for a \$100 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. TMD SERVICES, LLC 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, TMD SERVICES, LLC 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 TMD SERVICES, LLC. Nevertheless, TMD SERVICES, LLC hereby informs Client that Client may still have annual tax filing obligations. **If retainer fee of \$50 is not engaged by February 15th, I will presume that you will NOT be utilizing my services.**

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 TMD SERVICES, LLC 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 TMD SERVICES, LLC for review and advice. Client should keep all originals (including envelopes). If Client wishes to be represented by TMD SERVICES, LLC, additional forms, fees and expenses should be anticipated.

Communications

The primary method of information exchange between Client and TMD SERVICES, LLC will be electronic. Client must regularly update e-mail address with TMD SERVICES, LLC. Communications sent to Client's last-known e-mail 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

Once data is submitted to TMD SERVICES, LLC. Payment for your return *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 electronic payment. Client will *forfeit all discounts or deposits*, 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 TMD SERVICES, LLC until the account has been brought current. Prepaid deposits are deemed non-refundable once the preparation process has begun. TMD SERVICES, LLC 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

TMD SERVICES, LLC's final work product will be retained for three years; thereafter, all documents will be destroyed by TMD SERVICES, LLC 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, TMD SERVICES, LLC 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 TMD SERVICES, LLC that the file should be forwarded to Client prior to destruction. TMD SERVICES, LLC does not retain any original documents as they are returned to Client at the completion of the tax preparation process. Digital documents submitted to TMD SERVICES, LLC will be placed in Client's file and held for 5 years. 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 TMD SERVICES, LLC is available for \$50. Client may request the retrieval of physical files or data older than the prior tax year for a minimum fee of \$75.00.

Please initial Page 1 to acknowledge Client Responsibilities.

Tax Practitioner Responsibilities

Mission

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

Practice Standards

TMD SERVICES, LLC may not sign a return as a paid preparer if TMD SERVICES, LLC 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. TMD SERVICES, LLC 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. TMD SERVICES, LLC may rely in good faith (without verification) upon all information furnished by Client; however, TMD SERVICES, LLC 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 TMD SERVICES, LLC are confidential, but *not privileged* and may be disclosed if a summons is issued. The working papers for this engagement are the property of TMD SERVICES, LLC 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 TMD SERVICES, LLC 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 TMD SERVICES, LLC 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

TMD SERVICES, LLC does not disclose nonpublic personal information about current or former clients to anyone unless instructed to do so in writing by Client [Disclosure Authorization]. TMD SERVICES, LLC will not perform a conflict check; Client remains solely responsible for identifying and disclosing actual or potential conflicts of interest to TMD SERVICES, LLC. If a joint return is filed, TMD SERVICES, LLC may provide returns and copies of supporting documentation to either spouse without consent from or notification to the other spouse [Spousal Conflict Waiver]. TMD SERVICES, LLC restricts access to nonpublic personal information to those professionals who may assist in the preparation process or provide adjunct services. TMD SERVICES, LLC 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

TMD SERVICES, LLC will provide Client with a signed copy of the completed return; via electronic format. Client should retain this and all related materials safely for a minimum of five (5) years. TMD SERVICES, LLC 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 TMD SERVICES, LLC will not be responsible for implementation of suggestions. *TMD SERVICES, LLC does NOT represent herself to be a CPA, Financial Consultant or Attorney.*

Limitations

TMD SERVICES, LLC's services are not intended to determine whether Client has filing requirements in taxing jurisdictions other than the one(s) Client has mentioned to TMD SERVICES, LLC; Client may purchase a nexus study under separate agreement for an additional fee. TMD SERVICES, LLC 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. TMD SERVICES, LLC has no duty to detect fraud or uncover Client's fraudulent activity. TMD SERVICES, LLC 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. TMD SERVICES, LLC 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 TMD SERVICES, LLC 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 TMD SERVICES, LLC'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 TMD SERVICES, LLC but nonetheless verbally agrees (or otherwise indicates by such actions as submitting the tax organizer, providing tax data, or filing the prepared returns) that TMD SERVICES, LLC 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 TMD SERVICES, LLC'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 TMD SERVICES, LLC.

Dispute Resolution

Any dispute arising under this Agreement or relating to TMD SERVICES, LLC'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 City of Fredericksburg, Virginia, according to Virginia state law.

Cost of Service

Fees for tax preparation will be based on the complexity of the return, expertise required, and time expended by TMD SERVICES, LLC 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 USPS Priority delivery), correspondence with taxing authorities, bookkeeping, tax consultation and audit representation, will be billed on an hourly basis (\$100/hour). Client may pay by cash, check or digital payment. Client's returns will not be e-filed until TMD SERVICES, LLC'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 year-round tax consultation in lieu of an hourly fee, at a cost of \$75.00 if ordered after the return has been completed. A discount of 20% will be applied if purchased at the time of the tax return being prepared. Client may—when appropriate—be automatically invoiced for Service Contract at TMD SERVICES, LLC's discretion. Client agrees to review all invoices upon receipt; absent any objection within 10 days, the invoice will be deemed correct, due and payable.

Discounts (all dates 2024)

Client, if eligible, may enjoy one of the following 10% discounts: Student, Military, Senior, or Multi-Return. *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 TMD SERVICES, LLC'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]:

I have read and understood by signature my responsibilities to have my Tax Return Prepared by TMD SERVICES, LLC Services, LLC.

Client Name(s): _____

Date: _____

Client Name(s): _____

Date: _____