
BTS TAX LLC 2025 TAX PREPARATION ENGAGEMENT AGREEMENT

Thank you for choosing BTS Tax LLC to assist you with your income tax preparation. This letter confirms the terms of my engagement with you and outlines the nature and extent of the services I will provide, as well as your responsibilities.

CLIENT RESPONSIBILITIES

Supporting Data

Client acknowledges that he/she possesses supporting documentation for all income and deductions reported to BTS. and that all information provided to BTS is true, accurate, and complete to the best of their knowledge. The law imposes a penalty for substantial understatement of the tax liability and tax authorities regularly question whether any cash or bartering transactions have transpired. Submission of unorganized receipts will incur a significant “shoebox” fee. Keep those documents in your files for proof in the event of an IRS audit.

Timeliness

Client agrees to timely deliver requisite tax data and supporting documentation. Surcharges may apply if requested information is not provided in a timely manner. If electronic filing of return is rejected due to missing client information, additional charges will be incurred to bring return into compliance with filing requirements. BTS will give priority to clients who have timely provided data and otherwise cooperated with the preparation process.

Extensions (all dates 2026)

The filing deadline for individual returns is April 15th. If BTS has not received Client’s tax data in full by March 20th, an extension *may* be automatically filed. Submission of information by March 20 does not guarantee Client’s return will not be extended. Every effort will be made to file by April 15th but complications do sometimes arise. NOTE: Extensions allow an additional six months to file your return. Extensions ***do not allow additional time to pay your taxes.***

Client Review

Client is wholly responsible for the accuracy of the return and after thorough review, authorize BTS to file electronically. If Client chooses to not file electronically, Client will be sign and deliver the completed return to the proper taxing authorities. Client is responsible for all penalties and interest unless such penalties and interest are the result of BTS preparation error.

In no instance will BTS be responsible for paying Client’s tax liability.

Tax Notices

Client agrees to promptly notify and forward copies of any communications received from tax authorities to BTS for review and advice. If representation and/or action is required of BTS, such action is not covered by the tax preparation fee and will be billed separately under a separate engagement agreement. Client has the option to sign form 2848, Power of Attorney, directing that copies of all notices also be sent to BTS. If married, both spouses must sign separate forms 2848.

Document Retention

BTS’s final work product will be retained for three years; thereafter, all documents will be destroyed by BTS 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, BTS will no longer have any records and will not have any responsibility to reconstruct the file. BTS does not retain any original documents. Electronic copies will be retained by BTS for a period of three years as required by Circular 230 of the Internal Revenue Service. Electronic copies of returns prepared within the last three years are available upon request via secure portal. Paper copies are available at a starting cost of \$75.

Payment Terms

When data is submitted to BTS, Clients may be required to prepay one-half of the estimated tax preparation fee, with a minimum prepayment of \$200. The balance is due upon delivery, whether virtual or physical, of the completed return, whether the Client chooses to file the return as prepared. Electronic filing will not occur until after BTS is paid in full and form 8879 is signed. **If electronically filed return is rejected, additional fees will be due and must be paid before resubmission.** Invoices 90 days past due or older may result in return of client records and disengagement of any further services. Please refer to Payment Methods, Discounts, and Fees in FAQs for more information.

TAX PRACTITIONER RESPONSIBILITIES

Mission

Returns will be prepared based on information provided by Client. BTS will not audit or verify the data but may request additional material or clarification. BTS will make every attempt to properly apply the law and legally minimize Client's tax liability. BTS places accuracy, professionalism, and courtesy as our highest priority.

Confidentiality

Client is hereby given notice that all communications throughout the tax preparation process with BTS are confidential, but *not privileged* and may be disclosed if a summons is issued. The workpapers and data file(s) for this engagement are the property of BTS and constitute confidential information. Client should immediately engage legal counsel if Client has any concerns regarding possible criminal matters.

Privacy

BTS does not disclose nonpublic personal information about current or former clients to anyone unless instructed to do so in writing by Client. BTS will not perform a conflict check; client remains solely responsible for identifying and disclosing actual or potential conflicts of interest to BTS. If a joint return is filed, BTS may provide returns and copies of supporting documentation to either spouse without consent from or notification to the other spouse. BTS restricts access to nonpublic personal information to those professionals who may assist in the preparation process or provide adjunct services. BTS 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 greatly encouraged to use electronic portal provided for electronic transmission of sensitive information. Client is greatly discouraged from sending sensitive information via text, email, or any other unsecured method, and will hold BTS harmless if such transmissions result in any sort of data breach.

Duties

BTS will provide Client with a signed copy of the return, either electronically or physically. Client should retain this and all related materials safely for a minimum of five (5) years. BTS 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 BTS will not be responsible for implementation of suggestions made.

Limitations

BTS has no duty to detect fraud or uncover Client's fraudulent activity. BTS will not be responsible for mis-deliveries by USPS or other private carriers. BTS 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 BTS 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 BTS's gross negligence or bad faith.

Duration of Engagement

Engagement will begin once Client has signed Agreement; however, in the event client does not return signed Agreement to BTS but nonetheless verbally agrees or otherwise indicates by such actions as submitting the tax organizer, providing tax data, or filing the prepared returns, that BTS shall prepare returns on Client's behalf, all terms and conditions of this Agreement shall apply. Client's signature on federal e-file authorization forms shall be deemed acceptance by client to all terms in Engagement Agreement. Additional services such as tax planning, communications with tax authorities, preparing prior-year unfiled returns, and others may be provided under a separate agreement between Client and BTS.

Cost of Service

Fees for tax preparation will be based on the complexity of the return, expertise required, and time expended by BTS and will increase annually to remain commensurate with the skill, knowledge, expertise, and continuing education required by regulatory authorities. Client's tax return results have no correlation to BTS fees. Upon request, BTS will provide a good faith estimate of fees based on review of records and/or previously filed returns. Work beyond the scope of the estimate will not be completed until client is notified of and agrees to an updated estimate.