January 16, 2024

Happy New Year!

Nothing much changed with the IRS, but my procedures have. Again. Last year I prioritized business returns over personal returns. On paper it was a good idea. Turns out it wasn't. I made a mistake. I will be going back to the practice of preparing returns on a first in-first out basis.

What will this mean to you? It means the earlier you submit your complete tax information, the earlier your return will be prepared.

As always, I will provide a brief, two-page organizer for you. Please do not ignore it as is vital to the timely and accurate completion of your return. Unless you are receiving this via USPS, your organizer will be uploaded to your portal. Things to double check:

- Banking information, did it change? If you leave it as it, I will use that information.
- Driver's license expiration date, did it change? Look to be sure!
- Please review every section. What is here is how it will be listed on your tax return.
- If you received this via email and you need a paper copy, let me know.

Please carefully read the engagement agreement. It outlines our responsibilities to one another. If you have any questions, call me and we will discuss it. If you agree, sign the engagement signature page and return it to me with your tax information. Married? *Both* must sign.

If you have an adolescent who is employed, ***do not*** let them claim themselves on their own tax return or ***you cannot claim them***. While it can be remedied, it will cost time and money.

I am including a FAQS sheet for review; please look it over as it answers the most common questions and misunderstandings I receive. Call me if you have any other questions or concerns. I am looking forward to working with you again this year and hope to provide you with excellent and *timely* service this year.

Regards,

Barbara K Boyd EA
BTS TAX LLC

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BARBARA@BARBARASTAXSERVICE.COM
Owned and Operated by BTS Tax LLC

2023 TAX INFORMATION NEEDED – PLEASE READ CAREFULLY

- Your ***completed*** personal organizer and signature page.
- If you are a **new client**, please include a copy of the last tax return filed for you.
- All forms W-2, and 1099, including 1099-MISC, 1099-NEC, 1099-R, and 1099-SSA.
- Interest income: *Banks are not required to issue a 1099-INT if the amount is less than $10*.
- Crypto-currency information: Disclosure is an IRS requirement.
- Brokerage statements: Personal investments only, not for accounts owned by your IRA.
- Form 1095-A if you participated in the Marketplace and qualified for a reduction of premiums. Missing this information is the most common E-file rejection reason. It is not always mailed; you may need to download it.
- Business income: If you have always provided your income and expenses in a certain manner, continue to do so.
- Farming income: Again, if you have your own way of reporting this, continue to do so. Please be sure to include information regarding sales of livestock, hay, or other crops. For livestock sales it is important to note if you sold breeding stock or calves you raised. Call for more info.
- Rental income: Airbnb, VRBO; if you rented a portion of your home, a vacation home, or simply had a regular rent house, I need to know about it.
- Itemized Deductions: Medical (out-of-pocket only), Charitable contributions, mortgage interest, and real estate taxes. Keep in mind that very few will qualify to itemize (go “long” form).
- Parents: I must complete several detailed questionnaires regarding the legitimacy of your claim of minor dependents. Please be sure to include verification such as 1095B or daycare records.
- Single parents: I must verify you financially provide a domicile for your child to claim Head of Household. You must be able to demonstrate that you pay for more than half of their living expenses.
- Childcare credit: include the name, address, and taxpayer ID number of the caregiver.
- If you gained a dependent child, either through birth, adoption, or guardianship, include a copy of their social security card.
- If your adolescent child files a return, *be sure they do not claim themselves*. It won’t change their refund, but it will change yours.

Any information you receive where the envelope is marked: Important Tax Information should be included. Watch out for paperless! Things you may be required to download include brokerage statements, insurance marketplace (subsidy) forms 1095-A, form 1098 for your mortgage interest, and form 1098-T for college tuition reporting.

Please do not send receipts, a written itemization of the totals is sufficient. However, keep the receipts for proof in the event of an audit. If you are unsure as to the deductibility of something, feel free to include the paperwork or questions regarding the item in question.

Please do include any receipt you may have received for solar panel installation. Installation dates are important, as are an itemization of what was paid for.

You are free to call me if you have any questions about what to send. Please ***do not email or text your paperwork!*** Either scan (PDF only) or send via USPS to my PO Box or delivery service to my street address.

FOR MORE INFORMATION CONTACT **BARBARA** AT (940) 393-3590 OR
BARBARA@BARBARASTAXSERVICE.COM
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BTS TAX LLC 2024 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. 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. 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 within five (5) business days of initial request. 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 2024)

The filing deadline for individual returns is April 15th. If BTS has not received Client's tax data in full by March 15th, an extension *may* be automatically filed. Submission of information by March 15 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 five 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 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 and 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 working papers for this engagement are the property of BTS and constitute confidential information. Client should immediately engage legal counsel of 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. 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.

FREQUENTLY ASKED QUESTIONS (FAQS)

Important Dates

- E-File start date: January 29, 2024
- Tax return due date: April 15, 2024
- Extension cutoff date: March 15, 2024
- Extended due date: October 15, 2024

When will my return be ready to file?

Once *all* your information is received, I will put it on the calendar. I can tell you what date I will begin work. Barring unforeseen circumstances, that should be the day your return will be completed.

Partial Information Submission

Submitting partial information will not hold your place in line. Once I have received your complete information, I will put you on the calendar.

There will be occasions when I need more information. Please respond to requests for verification or additional information as quickly as possible. Delays beyond three business days *may* cause your return to go to the end of the line. This policy is not meant to be punitive, but rather an effort to produce a completely accurate return. Piecemeal work can cause errors.

Explain the "cutoff date"

The cutoff date is an artificial due date I created for receiving your info. Will I accept your tax info after this date? Of course! Is this a guarantee that I will not extend your return? No, I'm afraid not. If your return is particularly complex, if I am missing information to complete an accurate return, or if yours is one of 25 returns I receive on March 15th, any of these situations might require me to extend your return. But I will make every effort to prepare and file your return without extension.

Extensions

An extension gives you more time to file your return. ***It does not give you more time to pay your taxes***. Taxes are due by April 15th or late filing penalties of 0.5% per month will be charged by the IRS.

Paper or Plastic?

My policy has always been to provide both a paper and electronic copy of your tax return. However, I am offering a 5% discount (maximum $25) for electronic copies only. Requesting paper copies at a future date will incur a minimum charge of $50. Electronic copies sent via your client portal are free and available for a minimum of three years after filing.

Discounts

In addition to the paperless discount, I also offer a discount to currently active first responders (police, fire, and EMS) of 5%, not to exceed $25. I will prepare your dependent's return at a reduced rate. Finally, I will occasionally offer a miscellaneous discount for forms that I believe require less effort than my standard rate.

Direct Deposits

You must verify your banking information is correct. If not, I will automatically select "receive a check" as your method of receiving your refund.

Oh No! I Owe!

You have several options for paying your tax bill, from mailing a check to paying online to installment payments. The safest option is to pay online. You can print an acknowledgement of your payment as proof of time and date paid.

You can choose to pay electronically with your return. Before April 15, you have up to and including that date. After April 15, it is your responsibility to pay the balance either online or with a check.

You can request an installment payment plan. This is not a service I offer; you are responsible for the installment plan application. You can find the application at https://www.irs.gov/payments/online-payment-agreement-application.

Tax Planning

This service is in line with tax preparation but also a separate service. If you typically owe taxes every year, we can work together to determine how to address the issue. Extensive planning will incur a fee based on time and expertise required.

I have a question…

Tax season is a crazy busy time, but your questions are important. When the question requires research and calculation, I need time to do the work, and I usually respond via email. Email provides me with a record of what transpired and you with a full explanation of my answer.

I encourage questions as you need to be an informed taxpayer. Most questions are included in your tax prep fee, but I must bill for the occasional time when a situation requires more time and expertise than a simple response.

Payment Terms

Invoices are due upon receipt. Your return will not be electronically filed or released until payment is made. All payments made with plastic (debit or credit) will incur a 3% courtesy fee. You can, however, pay by check, electronic check, ACH, or cash with no added fees. Payments made after 30 days will incur a monthly late fee. Invoices more than 90 days past due will be destroyed and your information, if original documents, will be returned to you.

Contact Me

My posted hours during tax season are as follows:

- Monday, Tuesday, Wednesday, and Friday 10 AM to 4 PM
- Saturday 10 AM to 2 PM

I may work outside those hours, but these are when I am available for appointments or phone calls. Email is the preferred form of contact. Telephone is great for quick questions, and text is good for a message to me asking me to reach out.

Speaking of electronic documents, please upload your documents in **PDF format *only*.** Taking photos with your phone is quick and easy, but the files are huge and often illegible. Most cell phones have a scan feature, and apps such as Adobe Scan are reliable and free. Otherwise, please simply mail your information. I usually receive mail within two days, particularly if you use priority mail which has the added feature of tracking.

And Finally…

Thank you for entrusting me with your tax preparation. I appreciate my clients and understand you have a choice. Thank you for choosing me.

2024 TAX PREPARATION DISCLAIMER AND SIGNATURES

I/We (Client) understand that this engagement agreement only covers preparation of the tax return(s) for the current year. Client also understands that any additional work, including responses to IRS notices, mortgage company inquiries, or other items outside the scope of tax preparation will be billed separately. All other consultation services are not included in this engagement agreement.

Client acknowledges their agreement to the following items by initialing as indicated:

___ I/We have read and agree to the terms of the Engagement Agreement.

___ I/We have reviewed and updated the Personal Organizer and certify the information contained therein is correct.

___ I/We certify that all information provided to BTS Tax LLC for use in preparing their tax return(s) is true, correct, and complete to the best of my/our knowledge.

______________________________	______________________________	______________
Taxpayer Signature	**Printed Name**	**Date**
______________________________	______________________________	______________
Spouse Signature	**Printed Name**	**Date**

DO NOT SEND ANY SENSITIVE INFORMATION VIA EMAIL! EITHER UPLOAD TO YOUR CLIENT PORTAL OR SEND VIA USPS PRIORITY MAIL. I DO NOT HAVE HOME DELIVERY FROM THE POST OFFICE SO BE SURE TO USE MY PO BOX ADDRESS.

YOU ARE WELCOME TO USE DELIVERY SERVICES SUCH AS UPS OR FEDEX. BE SURE TO USE MY PHYSICAL ADDRESS FOR THIS AND ADD "SUITE 2981" TO THE ADDRESS, IN THE EVENT YOUR PACKAGE IS CONVERTED TO LAST MILE SERVICE. (Last mile service delivers the package the nearest post office. Mail is not delivered to my home so this "suite" number is important!)