

Watson CPA

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Engagement Letter – Tax Year 2024

Name	<input type="text"/>
Current Address	<input type="text"/>
Preferred Email	<input type="text"/>
Preferred Phone Number	<input type="text"/>

Notice: We are required to have a copy of your driver's license to process your tax return. Please provide a copy of your license (and spouse, if applicable) in your tax documents or through our secure portal.

☐ Check if no changes from your 2023 Return in dependents and marital status. Otherwise, note changes on Organizer.

Questions – All Taxpayers

“You” refers to both taxpayer and spouse, if married. Enter “?” if unsure about a question.

General	<input type="checkbox"/> Yes <input type="checkbox"/> No	Did you receive, sell, send, exchange, or otherwise dispose of any financial interest in any digital assets in 2024?
	<input type="checkbox"/> Yes <input type="checkbox"/> No	Are all dependents the biological children of both the taxpayer and spouse on this return? If no, please provide details; you may be required to obtain a “Release of Claim to Exemption” form from a custodial parent.
	<input type="checkbox"/> Yes <input type="checkbox"/> No	Are either you or your spouse legally blind?
	<input type="checkbox"/> Yes <input type="checkbox"/> No	Do you have any income other than the income reported to you on W2s, 1099s, K1s, or other standard tax forms? Please provide full details on any hobby income, side jobs, royalties, etc.
	<input type="checkbox"/> Yes <input type="checkbox"/> No	Are you involved in bankruptcy, foreclosure, repossession, or had any debt (including credit cards) cancelled?
Foreign Account	<input type="checkbox"/> Yes <input type="checkbox"/> No	At any time during 2024, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country?
	<input type="checkbox"/> Yes <input type="checkbox"/> No	If “Yes” to the previous question, are you required to file Fin-Cen Form 114, Report of Foreign Bank and Financial Accounts (FBAR)?
	<input type="checkbox"/> Yes <input type="checkbox"/> No	During 2024, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust?
Gambling	<input type="checkbox"/> Yes <input type="checkbox"/> No	Did you have any gambling winnings in 2024? <ul style="list-style-type: none">• If yes, please provide any W2-Gs or 1099s that you received.• If you had gambling losses in 2024, please provide us with the amount.

Additional items to be delivered later:

☐ -W2s ☐ -K1s ☐ -1099s ☐ Other: _____ ☐ Other: _____ ☐ Other: _____

Notes: _____

This letter is to inform you, the taxpayer, of the services we will provide you and the responsibilities you have for the preparation of your tax return.

Tax Return Preparation

- We will prepare your 2024 federal and state tax returns based on information you provide. Services for preparation of your return do not include auditing or verification of information provided by you.
- This engagement does not include any audit or examination of your books or records. In the event your return is audited, you will be responsible for verifying the items reported.
- You must review the return carefully before signing to make sure the information is correct.
- The tax return preparation fee does not include bookkeeping and summarization of your records.
- Fees must be paid before your tax return is delivered to you or filed for you. If you terminate this engagement before completion, you agree to pay a fee for work completed. A retainer is required for preparation of prior year returns.
- Fees charged for tax return preparation do not include audit representation or preparing materials to respond to correspondence from taxing authorities.
- Preparation fees do cover limited assistance and consultation during the year.
- The engagement to prepare your 2024 tax returns terminates upon delivery of your completed return to you. Please store your supporting documents and copies of your tax returns in a secure place for at least five years (seven years if you are currently receiving notices from the IRS or any other taxing authority).
- Note: We are unable to deliver tax returns directly to third parties (such as a mortgage company or financial advisor).

Taxpayer Responsibilities

- You agree to provide us all income and deductible expense information. If you receive additional information after we begin working on your return, you will contact us immediately to ensure your completed tax returns contain all relevant information.
- You affirm that all expenses or other deduction amounts are accurate and that you have all required supporting written records. In some cases, we will ask to review your documentation.
- You must be able to provide written records of all items included on your return if audited by either the IRS or state tax authority. We can provide guidance concerning what evidence is acceptable.

Signature: By signing below, you acknowledge that you have read, understand, and accept your obligations and responsibilities and that you understand our responsibilities in preparing your tax returns as explained above.

Authorized Signature

Date

Privacy Policy. The nature of our work requires us to collect certain nonpublic personal information about you from various sources. We collect financial and personal information from applications, worksheets, reporting statements, and other forms, as well as interviews and conversations with our clients and affiliates. We may also review banking and credit card information about our clients in the performance of receipt of payment. Under our policy, all information we obtain about you will be provided by you or obtained with your permission. Our firm has procedures and policies in place to protect your confidential information. We restrict access to your confidential information to those within our firm who need to know to provide you with services. We will not disclose your personal information to any third party without your express permission, except where required by law. We maintain physical, electronic, and procedural safeguards in compliance with federal regulations that protect your personal information from unauthorized access. Please contact us with any questions regarding our privacy policy.