



# PETER HOLTZ CPA

## 2021 Engagement Letter for Personal Tax Return Preparation

This letter is to confirm and specify the terms of our engagement with you for the tax year ending December 31, 2021, and to clarify the nature and extent of the tax services we will provide. We look forward to working with you and want to confirm our understanding of the arrangements for this service. Please read this letter carefully because it is important that we establish expectations for both of us as we work together. If you have any additional questions or concerns regarding this Engagement Letter, please call Tenille (209) 941-0189 as soon as possible to discuss before signing it.

If our office receives notification of urgency to your tax preparation, we will then charge a rush fee in order to better accommodate your needs. If Peter Holtz CPA will be completing your 2021 Tax Return, please submit this SIGNED Engagement Letter as soon as possible.

Personal Income Tax Returns are due by **Friday, April 15, 2022**. Please submit your information as soon as possible to ensure your Income Tax Return can be completed by the deadline. An extension of time to file may be requested before the due date, allowing you to extend your tax return due date until **Monday, October 17, 2022**. If an extension is filed, please submit your information by **Friday, August 26, 2022** to ensure your Income Tax Return can be completed by the extended deadline.

It's important to note that the extension of time to file is an extension of time to file your tax return and **not an extension to pay any tax liability due**. If any tax is due or you think it may be due, you must pay that amount to the IRS and any applicable state taxing agency by **Friday, April 15, 2022** to avoid any late payment penalties.

Please note the following policies are in effect:

- For all clients, we require a retainer (\$300) prior to starting the work; this retainer will be applied to the final billing. This retainer applies to ALL clients (new and returning). We accept all major credit cards for payment.
- We will be charging additional fees for bookkeeping services and for the preparation of additional schedules if these services are necessary. Please be assured that no charges will be made to your credit card without your prior notification. You will be contacted with an estimate of charges if they are above the basic rate and no additional work will be completed before receiving your written approval. All charges for tax return preparation are due and payable prior to the release and filing of the return.
- All invoices are due and payable upon completion of the income tax return and all major credit cards are accepted. It is agreed and acknowledged that any unpaid balance pursuant to this Engagement Letter is subject to interest rate of Eighteen Percent (18%) per annum, collection charges (which may be as much as 50%), court cost and reasonable attorney fees. It is agreed and acknowledged that any returned or dishonored check will result in a \$25.00 check charge.
- No tax return or related information will be released until the invoice has been paid in full.



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- There will be a non-refundable \$25.00 late fee charge if an invoice exceeds 30 days past due.
- There will be an additional RUSH FEE (\$150) for any returns completed in which we receive your information within 45 calendar days of the filing deadline.
- An extension will be filed for clients who have returned this signed Engagement Letter by February 28, 2022 but have not submitted the necessary documents to complete their tax return within 15 calendar days of the filing deadline or per request.
- **There will be additional charges for any additional tax resolution assistance, including, but not limited to:**
  - Payment Plans/Installment agreements
  - IRS letter responses pertaining to underpayment or late payment penalties
  - IRS or state responses for adjustments relating to information not originally provided to our office
  - Audits
- There will be additional charges for photocopying original documents and mailing them back to you. You may scan in your data and email them to **tax@peterholtzcpa.com**.
- In Accordance with our firm's current document retention policy we will retain our work papers and your tax returns for your engagement for *seven (7)* years. After seven years, our work papers and files will no longer be available. Physical deterioration or catastrophic events may shorten the time during which our records will be available. The working papers and files of our firm are not a substitute for the original records of your company. When any records are returned to you, it is your responsibility to retain and protect the records for possible future use, including potential examination by governmental or regulatory agencies. It is agreed and understood that in connection with the performance of this engagement by Peter Holtz CPA, that the work papers prepared by us shall remain the property of Peter Holtz CPA.

We are providing you with an information checklist and questionnaire requesting specific information, see attached. Completing the checklist and questionnaire allows Peter Holtz CPA to serve you best. In providing this information to us, you represent that the information you are supplying is truthful, accurate and complete to the best of your knowledge and that you have truthfully disclosed to us all income and other relevant factors affecting the returns. You further represent that you have provided us true, correct and complete information regarding amounts you claimed as tax deductions, and have maintained written documentation supporting all amounts, including log books and receipts. We will not audit or otherwise verify the information you give us; however, we may ask for additional clarification of some information. You will contact us immediately if you discover additional information that will lead to change in your return, or if you receive any letters from the IRS, state or local taxing authorities.

You are responsible for the proper recording of financial activities, for the safeguarding of assets, and for the substantial accuracy of your financial records. The law imposes various penalties when taxpayers understate their tax liability. We recommend you retain all documents, canceled checks, receipts and other data that form



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the basis of income and deductions for *at least* 10 years after filing your return. Please remember, you have the final responsibility for the information on your income tax returns. Please keep all originals for your records.

The IRS permits you to authorize us to discuss, on a limited basis, aspects of your return for one year after the returns due date. Your consent to such a discussion is evidence by checking a box on the tax return. Unless you tell us otherwise, we will check that box authorizing the IRS to discuss the return with us.

There is always a possibility that your returns may be selected for review by taxing authorities. Any proposed adjustments by the examining agency are subject to certain rights of appeal. In the event of a government tax examination, we will be available, upon request, to represent you.

If we conclude that we are obligated to disclose a particular position on your tax return to a taxing authority and you refuse to permit disclosure, we reserve the right to withdraw from the engagement.

You also have the right to choose another professional to prepare your return. In either event, you agree to compensate us for our services to the date of the withdrawal.

The engagement does not include any services not specifically stated in this letter. To formalize our relationship, we respectfully ask that you return all three pages of the signed copy of this letter.

Thank you for your business,

Peter Holtz CPA



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## CLIENT ACKNOWLEDGEMENT

I, \_\_\_\_\_ and \_\_\_\_\_, acknowledge that I received the 2021 Personal Tax Engagement Packet and have read through the document in its entirety. I agree to the terms listed and take full responsibility to get my tax documents to Peter Holtz CPA in a timely manner. I agree to pay the retainer (\$300/year) and any fees that are associated with completing my 2021 Personal Tax Returns.

\_\_\_\_\_  
Client's signature

\_\_\_\_\_  
Client's signature

\_\_\_\_\_  
Client's printed name

\_\_\_\_\_  
Client's printed name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

### ACH PAYMENT INFORMATION

Banking Institution: \_\_\_\_\_

Routing Number: \_\_\_\_\_

Account Number: \_\_\_\_\_

Account (Checking/Savings)

### CREDIT CARD INFORMATION

Banking Institution: \_\_\_\_\_

Credit Card Number: \_\_\_\_\_

Expiration: \_\_\_\_\_

CVV: \_\_\_\_\_



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## Check-List of Items Needed for 2021 Personal Income Tax Return

Please provide photocopies of the following information for us to complete your 2021 Income Tax Return. Please do not send the originals to us. There will be additional charges for photocopying original documents and mailing them back to you. You may scan in your data and email them to [tax@peterholtzcpa.com](mailto:tax@peterholtzcpa.com). We ask that you retain the originals in a safe place in your possession in case questions arise or further information is needed from them in the future.

### 1. General information

- a. Refer to the Basic Taxpayer Organizer.
- b. Copies of last two years Federal & State tax returns.  
**If we prepared your returns there is no need to send copies.**

### 2. Income information

- a. Copies of all W-2 forms that you or your spouse received from your employer(s).
- b. Copies of 1099 forms that you or your spouse received for other income.
- c. Copies of 1099-INT or 1099-DIV forms that you or your spouse received for interest or dividend income.
- d. Copy of last year's state tax refund.
- e. Distributions from a Health Savings Account.
- f. Distributions from IRA, 401(K) or other retirement accounts.
- g. Documentation on capital gains you may have had through asset sales in 2021.
- h. Unemployment compensation.
- i. Social Security benefits received.
- j. Any other types of income you may have for 2021.

### 3. Adjustments to Income

- a. Contributions to a Health Savings Account.
- b. Moving expenses.
- c. Contributions to SEP, Simple or other qualified plans.
- d. Premiums paid for self-employed health insurance.
- e. Alimony paid.
- f. IRA contributions for 2021.
- g. Student loan interest paid.
- h. Tuition and fees paid for college education.

### 4. Itemized deductions

- a. Medical expenses (doctors, dentists, eyeglasses, prescriptions, employee health insurance premiums, etc.).
- b. Real estate taxes paid.
- c. Personal property tax paid (automobiles, etc.)
- d. Mortgage interest paid on your residence (form 1098 or other documentation).



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- e. Points paid on your residence.
- f. Charitable contributions by cash or check.
- g. Charitable contributions made in kind (clothing, automobiles, furniture, etc.)
- h. Casualty losses from theft or fire.
- i. Unreimbursed business expenses.
- j. Legal fees.
- k. Tax preparation fees.
- l. Safety deposit box fees.

## 5. Other deductions and credits

- a. Child and dependent care costs.
- b. Credit for elderly or disabled.
- c. Residential energy credit for improving the efficiency of your home.
- d. Taxes paid to foreign country.

## 6. Payments

- a. Documentation of payments or estimated payments that you may have made toward your 2021 taxes. (This does not include any payments made in 2021 for additional taxes due for 2020).

## 7. If you owned a business that could be considered a sole-proprietorship in 2021 we need the following information to complete the Schedule C for your tax return:

- a. What activity the business was engaged in.
- b. Total revenue earned by the business in 2021.
- c. Categorized expenses incurred by the business in 2021.
- d. Total miles and total business miles driven for the year.
- e. Information on a home office if one was used.
- f. Any depreciable assets used by the business. (computers, office furniture, etc.)

## 8. If you personally owned rental properties in 2021 we need the following information for your Schedule E:

- a. Address and location of new properties.
- b. Amount paid for the new properties purchased.
- c. Rental income for the individual properties.
- d. Cost of any improvements made to the properties.

## 9. If you personally owned rental properties in 2021 we need the following information for your Schedule E (continued):

- a. Expenses for the maintenance and operation of the properties.
- b. Information as to whether or not you can be considered a real estate professional. (the greater of 750 hours **and** more than 50% of your working time, if you have another job, devoted to working in real estate activities for 2021)
- c. HUD Statements (closing statements) on any property purchased or sold in 2021.



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## 2021 Individual Taxpayer Information Organizer

### TAXPAYER

First Name & Middle Initial:

Last Name:

Social Security Number:

Date of Birth:

Phone Number:

Occupation:

### SPOUSE

First Name & Middle Initial:

Last Name:

Social Security Number:

Date of Birth:

Phone Number:

Occupation:

### ADDRESS

Street Address (NO P.O. BOX):

City:

State:

Zip Code:



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## FILING STATUS (check one)

Single \_\_\_\_

Married filing joint \_\_\_\_

Married filing separate \_\_\_\_

Head of Household \_\_\_\_

Qualifying Widow(er) \_\_\_\_

## DIRECT DEPOSIT

Would you like to direct deposit any refunds? Yes \_\_\_\_ No \_\_\_\_

If yes, please provide the following:

Banking Institution:

Routing Number:

Account Number:

Account (Checking/Savings)

## DEPENDENT INFORMATION

Name (first, initial, last):

Date of Birth:

Social Security Number:

Relationship:

Months In Home:

Name (first, initial, last):

Date of Birth:

Social Security Number:

Relationship:

Months In Home:





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## INCOME INFORMATION

### WAGES

Please provide copies of all W-2s

Taxpayer Name:

Employer Name:

Wages:

Federal Tax Withheld:

State Tax Withheld:

Local Tax Withheld:

Taxpayer Name:

Employer Name:

Wages:

Federal Tax Withheld:

State Tax Withheld:

Local Tax Withheld:

### INTEREST INCOME

Please provide copies of 1099INTs & 1099DIVs

1099 INT INCOME:

1099 DIV INCOME



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## **GAINS OR LOSSES**

FROM SALES OF STOCK, SECURITIES OR OTHER ASSETS – Please provide copies of 1099Bs

Kind of Property and Description:

Date Acquired:

Date Sold:

Sales Price:

Cost or Other Basis:

## **OTHER INCOME**

Please provide copies of all 1099s

Alimony received:

Taxable refunds of state or local income taxes **1099-G:**

IRA Distributions **1099-R:**

Pensions and annuities **1099-R:**

Unemployment compensation **1099-G:**

Social Security benefits **SSA-1099:**

Tips:

Cancellation of Debt **1099-A and/or 1099-C:**

All other income not provided for in this organizer and source of that income, such as form 1099s, etc:



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## DEDUCTION INFORMATION

### ADJUSTMENTS TO INCOME

Please provide copies of 1098

Educator expenses:

IRA deduction:

Student loan interest **1098-E:**

Tuition and fees deduction **1098-T:**

Required course material for higher education:

Health savings account contributions:

Moving expenses:

Self-employed, SEP, SIMPLE, and qualified plans:

Penalty on early withdrawal of savings:

Alimony paid:

### CHILD OR DEPENDENT CARE EXPENSES

Please break out by each child/dependent

Institution or Person Paid:

Address SSN or ID Number:

Amount Paid:

Child/Dependent:



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## **FEDERAL, STATE OR LOCAL ESTIMATED TAXES PAID FOR 2021**

Payment Information Federal/State/Local

First Quarter 2021:

Second Quarter 2021:

Third Quarter 2021:

Fourth Quarter 2021:

With 2021 Extension:

Other Estimated Tax Payments:

## **ITEMIZED DEDUCTIONS**

Medical and Dental expenses:

Medical insurance premiums paid after tax:

Medical miles:

Personal Residence Real Estate taxes:

Personal Property taxes:

Home Mortgage Interest and points reported on form 1098 (**Please provide copies of 1098s**):

Home Mortgage Interest and Points not reported on form 1098:

Investment Interest paid:

Contributions to charity by cash or check:

Contributions to charity other than by cash or check – If over \$500 please fill in detail in the box on the next page \* Charitable miles:



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## Unreimbursed employee expenses (For W-2 employees):

1. Travel expenses (excluding meals):
2. Meals and Entertainment:
3. Parking and Tolls:
4. Telephone used for employer's business:
5. Educational expenses required to maintain your job:
6. Tools and Equipment Uniform costs – Safety and Protective Clothing:
7. Subscriptions to professional journals:
8. Other Dues:

Job seeking costs:

Investment expenses:

Tax preparation fee in 2021:

Safe deposit box rental:

## **CONTRIBUTIONS TO CHARITY OTHER THAN CASH OR CHECK OVER \$500**

Name:

Address:

Items Donated:

Fair Market Value:

Date:



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## VEHICLE INFORMATION AND MILEAGE DOCUMENTATION

If you have more than one vehicle used for business purposes please make additional copies as necessary.

Description of Vehicle: \_\_\_\_\_

Is the vehicle used 100% for business purposes? Yes \_\_\_ No \_\_\_

Is another car available for personal uses? Yes No \_\_\_

Vehicle cost \_\_\_\_\_

Date placed in service \_\_\_\_\_

Vehicle Insurance paid \_\_\_\_\_

Business miles driven for 2021 \_\_\_\_\_ Personal miles driven for 2021 \_\_\_\_\_

Total miles driven for 2021 \_\_\_\_\_

Do you have evidence to support your mileage information (written log, etc)? Yes \_\_\_ No \_\_\_



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## Schedule C / Sole-Proprietorship

If you received income through the operation of a sole-proprietorship business please list the income and the expenses related to that income in the tables below: **(If you have more than one business please make a copy for each business and list income and expense separated by business).**

Advertising:

Commissions:

Legal and professional services:

Office expense and supplies:

License & Fees:

Travel:

Meals & Entertainment:

Professional Development:

Telephone:

Other Expenses (list out separately)