

INDIVIDUAL  
ENGAGEMENT LETTER

January, 2013

Dear Client:

We appreciate the opportunity to work with you. To minimize the possibility of a misunderstanding between us, we are setting forth pertinent information about the services we will perform for you.

We will prepare your 2012 federal and state individual income tax returns from information you furnish us. We will not audit or otherwise verify the data you submit, although we may ask you to clarify some of the information. We will furnish you with an Organizer to help you gather and organize the necessary information for us, in order to keep our fee to a minimum. The IRS has mandated that all individual returns be filed electronically. If you wish to opt out of electronic filing, please notify us.

It is your responsibility to maintain, in your records, the documentation necessary to support the data used in preparing your tax returns, including but not limited to the auto, travel, entertainment, and related expenses and the required documents to support charitable contributions over \$250. ***If you have any questions as to the type of records required, please ask us for advice in that regard.*** It is also your responsibility to carefully examine and approve your completed tax returns before signing and submitting them to the tax authorities or authorizing us to electronically transmit your return to the governing authorities. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest.

***Please note that any person or entity subject to the jurisdiction of the United States (including individuals, corporations, partnerships, trusts, and estates) having a financial interest in, or signature or other authority over, bank accounts, securities, or other financial accounts having a value exceeding \$10,000 in a foreign country, shall report such a relationship. Failure to disclose the required information to the U.S. Department of the Treasury may result in substantial civil and/or criminal penalties. Please notify us if you hold a foreign account so we may determine your filing requirement.***

***In addition, currently the Internal Revenue Service under IRC §6038 and §6046, requires information reporting if you are an officer, director or shareholder with respect to certain foreign corporations; foreign-owned U.S. corporation or foreign corporation engaged in a U.S. trade or business; and U.S. transferor of property to a foreign corporation. Please notify us if you fall into one of the above categories so we may determine whether or not you are required to file additional forms. Failure to timely file may result in substantial monetary penalties. We assume no liability for penalties associated with the failure to file or untimely filing of any of these forms.***

Your returns may be selected for review by the taxing authorities or you may receive notices indicating an adjustment to your tax return. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination or notices, we will be available upon request to represent you and will render additional invoices for the time and expenses incurred.

<b><u>FOR OFFICE USE ONLY:</u></b>	
Contact: _____	Client # _____
Email: _____	Phone # _____
Date Notified: _____	Date Out: _____
Notified By: _____	Initials: _____

We will use our judgment to resolve questions in your favor where a tax law is unclear if there is a reasonable justification for doing so. Whenever we are aware that a possibly applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts), we will explain the possible positions that may be taken on your return. In accordance with our professional standards, we will follow whatever position you request, as long as it is consistent with the codes, regulations, and interpretations that have been promulgated. If the IRS should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any such additional penalties or assessments. In the event, however, that you ask us to take a tax position that in our professional judgment will not meet the applicable laws and standards as promulgated, we reserve the right to stop work and shall not be liable to you for any damages that occur as a result of ceasing to render services.

Fees for our services will be at our standard rates plus out-of-pocket expenses. Payment for service is due when rendered and interim billings may be submitted as work progresses and expenses are incurred. We reserve the right to stop work on any account that is 30 days past due, in accordance with our firm's stated collection policy.

Blackburn, Childers & Steagall, PLC does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies. For a record retention guideline, contact your tax return preparer.

If the above fairly sets forth your understanding, please sign and return it to our office with the organizer or your information if the organizer is not used.

We want to express our appreciation for this opportunity to serve you.

Sincerely,

*Blackburn, Childers & Steagall, PLC*

Accepted:

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Print Name

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Signature

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Date