



Ryan C. Blair, CPA, PLLC

Taxes • Bookkeeping • Advising

2024 Individual Tax Return Preparation Engagement Letter

Ryan C. Blair, CPA, PLLC is pleased to provide you with the professional services described below. This letter states the terms and conditions by which you have engaged Ryan C. Blair, CPA, PLLC to provide certain tax return preparation services. This letter confirms our understanding of the terms and conditions of our engagement and the nature and limitations of the services we will provide. The engagement between you and our firm will be governed by the terms of this Agreement.

Services. We will prepare your **individual** federal, state, and or local tax returns for the year ending December 31, 2024. We will rely upon the completeness and accuracy of the information and representations you provide to us to prepare your tax returns. We will not audit or otherwise verify the data you submit to us although we may ask you to clarify certain information. We will prepare the tax returns solely for filing with the Internal Revenue Service (“IRS”) and applicable state and local tax authorities. Our work is not intended to benefit or influence any third party, either to obtain credit or for any other purpose. You represent that the information you are supplying to us is accurate and complete to the best of your knowledge and that you have disclosed to us all relevant facts affecting the returns. You agree to indemnify and hold us harmless with respect to all claims arising from the use of the tax returns for any purpose other than filing with the IRS, state and local tax authorities regardless of the nature of the claim, including the negligence of any party. Our engagement does not include any procedures designed to detect errors, fraud, theft, or other wrongdoing. Therefore, our engagement cannot be relied upon to disclose such matters.

Firm Responsibilities

Arguable Positions. We will use our judgment to resolve questions in your favor where a tax law is unclear, provided there is sufficient support for doing so. If there are conflicting interpretations of the law, or if tax law is unclear, we will explain the possible positions that may be taken on your return. We will follow the position you request, provided it is consistent with our professional standards and understanding of the Internal Revenue Code (“IRC”), tax regulations, Revenue Rulings, Revenue Procedures, private letter rulings, court decisions and similar state and local guidance. If the IRS, state, or local tax authorities later contest the position taken, there may be an assessment of additional tax, penalties, interest, and professional fees. We assume no liability and you hereby release us from any liability for such additional tax, penalties, interest, and professional fees.

Bookkeeping Assistance. We may deem it necessary to provide you with accounting and bookkeeping assistance solely for the purpose of helping you organize your information and preparing the income tax returns. We will request your approval before rendering these services. Additional charges may apply.

Electronic Communications. In the interest of facilitating our services to you, we may communicate with you by electronic means such as email, fax, or via our client portal. Such communications may include information that is confidential to you. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent and consent to our use of these devices during this engagement. Additionally, we believe that electronic communication provides the greatest privacy by eliminating paper trails of confidential information. As such, and unless you tell us otherwise, the client’s copy of the prepared tax return will be presented to you in a PDF file format.

Filing Status. We will prepare your tax returns based upon your filing status (single, married filing jointly, married filing separately, head of household or qualifying widow[er] with dependent child) as reflected in your income tax

returns for last year. If your filing status has changed, you wish to change your filing status, or you have questions about your filing status, please contact us immediately.

Government inquiries. This engagement does not include responding to inquiries by any governmental agency or tax authority. If you are contacted by a tax authority, either for an examination or other inquiry, you may request our assistance in responding.

Tax advice. Any advice we may provide is based upon tax reference materials, facts, assumptions, and representations that are subject to change. We will not update our advice after the conclusion of the engagement for subsequent legislative or administrative changes or future judicial interpretations. To the extent we provide written advice concerning federal tax matters, we will follow the guidance contained in Circular 230, §10.37, Requirements for Written Advice.

Tax planning services. Tax planning services are not within the scope of this engagement. During the course of preparing the tax returns, we may bring to your attention potential tax savings strategies for you to consider as a possible means of reducing your taxes. However, we have no responsibility to do so, and will take no action with respect to such recommendations, as the responsibility for implementation remains with you, the taxpayer. If you ask us to provide tax planning services, and we agree to provide them to you, we will confirm this engagement in a separate agreement.

Client Responsibilities

We will provide you with a tax organizer to help you compile and document the information necessary to prepare your tax returns. You must complete the tax organizer with accurate and complete information. Income from all sources, including those outside the U.S., is required to be reported. We will rely upon the completeness and accuracy of the information and representations you provide to us. We will not audit or otherwise verify the data you submit to us, although we may ask you to clarify certain information.

Digital Assets. There are specific tax implications of investing in digital assets (e.g., virtual currencies such as Bitcoin, non-fungible tokens, virtual real estate and similar assets). The IRS considers these to be property for U.S. federal income tax purposes. As such, any transactions in, or transactions that use, digital assets are subject to the same general tax principles that apply to other property transactions. If you transacted in digital assets during the tax year, you may have tax consequences and/or additional reporting obligations associated with such transactions. You agree to provide us with complete and accurate information regarding any transactions in, or transactions that have used, digital assets during the applicable tax year. If you have any questions regarding your digital assets and/or transactions, please ask us, and we will respond in writing.

Documentation. You are responsible for maintaining adequate documentation to substantiate the accuracy and completeness of your tax returns. Our workpapers do not satisfy your documentation responsibility. You should retain all documents that provide evidence and support for reported income, credits, deductions, and other information on your returns. You represent that you have such documentation and can produce it if needed to respond to any audit or inquiry by tax authorities. You agree to hold harmless our firm with respect to any additional tax, penalties, or interest imposed upon you by tax authorities resulting from the disallowance of tax deductions due to inadequate documentation.

Estimated tax payments. You may be required to make quarterly estimated tax payments in the tax jurisdictions you filed returns in. We will calculate these payments for the following tax year based upon the information you provide to prepare your current year's tax returns (the "safe harbor" rule). Updating recommended quarterly estimated tax payments to more closely reflect your actual current year's income is not within the scope of this engagement, unless requested by you, and agreed to by us, in writing.

Extensions of Time to File Tax Returns. It may become necessary to apply for an extension of the filing deadline if there are unresolved issues or delays in processing, or if we do not receive all of the necessary information from you on a timely basis. Applying for an extension of time to file may limit your ability to make certain elections,

extend the time available for a government agency to undertake an audit of your return and/or extend the statute of limitations to file a legal action. If we apply for an extension of time to file because you have not provided us all of the information needed to prepare the tax returns by the original due date, you agree to hold our firm harmless from any consequences arising from any election waived. All taxes owed are due by the original filing due date. Additionally, extensions may affect your liability for penalties and interest or compliance with governmental or other deadlines.

Gift tax returns. The IRS considers a gift to be any transfer to an individual, either directly or indirectly, where full consideration (measured in money or money's worth) is not received in return. Under federal tax law, certain gifts are taxable and subject to an annual gift tax exclusion amount, which for 2024, is \$18,000 per taxpayer. You are responsible for informing us if gift tax returns are required to be filed. If you ask us to prepare these returns, and we agree, we will confirm this representation in a separate written agreement.

IRS Filing Obligations Related to Foreign Investments. You are responsible for informing us of all foreign assets owned directly or indirectly, including but not limited to financial accounts with foreign institutions, other foreign non-account investments, and ownership of any foreign entities, regardless of amount. If upon review of the information you have provided to us, including information that comes to our attention, we believe that you may have additional filing obligations, we will notify you.

Penalties and Interest Charges. Federal, state, and local tax authorities impose various penalties and interest charges for non-compliance with tax laws and regulations, including failure to file or late filing of returns and underpayment of taxes. You, as the taxpayer, remain responsible for the payment of all tax, penalties, and interest charges imposed by tax authorities. We rely on the accuracy and completeness of the information you provide to us in connection with the preparation of your tax returns. Failure to disclose or inadequate disclosure of income or tax positions may result in the imposition of penalties and interest charges.

Personal expenses. You are responsible for ensuring any personal expenses are segregated from business expenses such as meals, travel, entertainment, vehicle use, gifts, and related expenses. These must be supported by records which are required by the IRS and other tax authorities. At your written request, we are available to provide you with written answers to your questions on the types of supporting records required.

Professional Fee. Our professional fee for the services outlined above is based upon the complexity of the work to be performed, and our professional time, as well as out-of-pocket expenses. In addition, this fee depends upon the timely delivery, availability, quality, and completeness of the information you provide to us. You agree that you will deliver all records requested and respond to all inquiries made by our staff to complete this engagement on a timely basis. You agree to pay all fees and expenses we incur regardless of whether we file your tax returns. Additionally, our fee does not include responding to or resolving any correspondence you receive from the IRS, state, or local tax authorities arising from our preparing your tax returns. If you receive correspondence from any taxing authority due to an inadvertent mistake we make, we will respond to it at no additional cost to you. **We require that all outstanding invoices be paid prior to electronic filing of the completed tax returns.**

State and Local Filing Obligations. You are responsible for determining your tax filing obligations with any state or local tax authorities, including, but not limited to, income, franchise, sales, use, property, or unclaimed property taxes. You agree that we have no responsibility to research these obligations or to inform you of them. If we believe you have additional filing obligations upon review of the information you have provided to us or information comes to our attention, we will notify you of this responsibility in writing and ask you to contact us. If you ask us to prepare these returns, and we agree to do so, additional fees may apply.

Tax Liability. You are responsible for the payment of all taxes, interest, penalties, and other fees due to the IRS and applicable state and local tax authorities.

Travel, entertainment, and automobile expenses. We will not evaluate, review or make any judgment regarding the adequacy of travel, entertainment, or automobile documentation. The IRS has established extensive and complicated rules and regulations regarding the documentation of travel, entertainment, and automobile expenses. We expressly disclaim any opinion as to the adequacy of your travel, entertainment, and automobile record keeping.

Ultimate responsibility. You have final responsibility for the accuracy of your tax returns. We will provide you with a copy of your electronic tax returns and accompanying schedules and statements for review prior to filing with the IRS, state, and local tax authorities, as applicable. You agree to review and examine them carefully for accuracy and completeness. You will be required to verify and sign a completed Form 8879, *IRS e-file Signature Authorization*, and any similar state and local equivalent authorization form before your returns can be filed electronically.

We appreciate the opportunity to be of service to you. Please sign below to affirm that this Agreement summarizes your understanding of the terms for our engagement.

Sincerely,



Ryan C. Blair
Ryan C. Blair, CPA, PLLC

Accepted by:

Signature

Date

Printed Name