Italiano Tax Solutions, Inc.

Dba Lacy Italiano, EA

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January 1, 2024

NEW CLIENT

TAX PREPARATION ENGAGEMENT AGREEMENT & PRIVACY POLICY

Dear NEW CLIENT,

This letter confirms the terms of our engagement with you and outlines the nature of the extent of the services Italiano Tax Solutions, Inc. (ITS) will provide. This tax engagement letter pertains only to tax year 2023, and without a separate engagement our responsibilities do not include preparation of any other tax returns that may be due to any taxing authority. Our engagement will be complete upon the filing and acceptance of your 2023 tax returns.

TAX PREPARATION & FILING

- You understand that it is your responsibility to provide our firm with all the information required to complete your tax return. Failure to provide all and/or providing incomplete documentation, will result in a delay in preparing your income tax returns.
- You provide true, correct, and complete information regarding your income as listed on the attached forms W-2, 1099's and/or attached written summaries. It is your responsibility to organize and total your expenses. ITS will not be auditing these receipts. We will be reviewing them for their reasonableness. You will retain for six years, all documents, receipts, cancelled checks and other records required to substantiate the items of income and expenses. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority.
- You have maintained written documentation supporting all amounts, including logbooks and receipts. You understand that if a question arises regarding the interpretation of tax law, and a conflict exists between the authorities' interpretation of the law, and other supportable positions, that ITS will use our professional judgment in resolving these issues.
- As a client, it is your responsibility to contact us immediately if you discover additional information that will lead to a change on your tax return.

- If, during our work, we discover information that affects your prior-year tax returns, we will make you aware of the facts. However, we cannot be responsible for identifying all items that may affect prior- year returns. If you become aware of such information during the year, please contact us to discuss the best resolution of the issue.
- It is your responsibility to contact us **immediately** if you receive any notice from the IRS or state. Please send us the notice immediately and be sure not to write on any official IRS or state notices ITS reserves the right to charge a reasonable fee for assisting in handling and responding to any and all IRS and state letters and notices.
- Ultimately you, as the taxpayer, are responsible for the information on the tax return. ITS requires each client to review their tax return and confirm they have done so before signing.

AUDITS

The climate within the IRS and the state taxing agencies is changing when it comes to audits. In general, the number of IRS audits has increased dramatically. Due to this rise, more than ever you need to exercise extreme caution and care in assembling and preparing your records for the preparation of your tax return. The following are procedures that you are agreeing to and policies that Italiano Tax Solutions, Inc. will follow:

You understand that all tax agencies have the right to examine your returns, and that you are ultimately responsible for retaining all the documentation and records which were used to compile your returns.

- This is especially important in the area of EITC and other child/dependent credits, business travel, entertainment deductions, business use percentage of autos and home use, other depreciable assets, bartering & trading activities.
- If there is a direct error on the part of Italiano Tax Solutions, Inc., we will pay that portion of the penalty that you are assessed by the IRS or state. We will not be responsible for compensating you for the interest that you might be charged. This is with the understanding that you let ITS respond to all audits, letters and correspondence from the IRS and/or state.
- The law provides various penalties and interest that may be imposed when taxpayers understate their tax liability. You acknowledge that any such understated tax, and any imposed interest and penalties, are your responsibility, and that ITS has no responsibility in that regard.
- You understand that if your tax return is called for an audit, ITS will assess an audit fee. This fee is to assemble your completed records in the manner which is acceptable for an audit. You will be charged a reasonable hourly fee to prepare and represent you in your audit. The audit fee also includes the audit interview, assembling the organized data into our audit format and the actual audit. If your records are not presented in an accepted organized manner, ITS reserves the right to bill out at $250 per hour in addition to the agreed upon fee.

FEES

Services included in annual tax preparation fee:

- Preparation of your 2023 individual and/or business tax return(s).
- Electronic filing of the federal and state return(s).
- Your tax return(s) will be provided electronically in your client portal. Paper copies will only be provided if we are returning hard copies of your tax documents to you via USPS.
- If you must paper file your tax return, we will provide you with the IRS and state filing forms. Additionally, we will provide a pre-addressed envelopes and USPS Certified Mail labels for your convenience (postage not included).
- **One** mid-year tax planner with current year, YTD income and expense information. This service is provided only upon your request.
- Your tax preparation fee is to be paid at the time of service. This means after you sign the e-file authorization forms and **before we electronically file the tax return**.
- Review of any taxing authority notices to determine cause. Any letters received must be submitted to ITS timely for review. Only if ITS is at fault, will we address the notice free of charge.

Services or requests not included in your tax preparation fee that may incur additional cost:

- Requests for additional copies of tax returns whether digital or paper. If you are requesting for ITS to send your tax return to a third party, we must have the request in writing. Fees will vary.
- If you need a letter written to a financial institution verifying your business tax return, there is a minimum fee of $150.
- If your tax situation changes and you need any additional planners, ITS will bill at $150/hr.
- If you need a tax planner between February and May, ITS will bill at $225/hr.
- If your records need to be organized and totaled to accurately prepare your tax return, ITS will bill at $150/hr.
- ITS will file an extension for tax returns submitted less than 21 days from the filing deadline. Should you require your tax return be filed by the deadline and your documents were submitted less than 21 days from the deadline, a "Rush" fee of $350 will apply.
- If you receive a letter from a tax agency and upon ITS review it is determined ITS is not at fault for the notice, we will bill at our hourly rate to resolve the issue in the notice on your behalf.
- If we have to obtain an IRS and/or State Power of Attorney to resolve any matters on your behalf, not at ITS fault, the POA will be charge at $500 per taxpayer.

Important to remember for timely filing:

- ITS reserves the right to file an extension for any client whose tax information is **not received 21 days prior to the current year's deadline.**
- **Keep in mind extensions only provide additional time to file NOT TO PAY.** If you anticipate owing, an extension payment should be made **on or before the current year's deadline to avoid penalties.** If you would like assistance with payment amounts, please contact our office no later than **March 15th**.

Entity Type	Filing Deadline	Payment Deadline
Individual Filers	April 15, 2024	April 15, 2024
Self-Employed Filers	April 15, 2024	April 15, 2024
S Corp	March 15, 2024	March 15, 2024
C Corp	March 15, 2024	March 15, 2024
Partnerships	March 15, 2024	March 15, 2024
LLCs	March 15, 2024	March 15, 2024
Non-Profits	May 15, 2024	May 15, 2024

Additional services ITS offers at our current hourly rate or agreed upon contract price:

- Installment Agreements
- Offer in Compromise
- Sales tax returns
- Payroll tax returns
- Bookkeeping
- Business consultations
- Fiduciary consultations

You as the taxpayer, have the final burden of responsibility for your income tax returns and, therefore, you should review them carefully before you sign them.

By signing this, I affirm that I have read, understand, and accept the terms of the engagement and have been provided a copy of the ITS Privacy Policy.

Sincerely,
Italiano Tax Solutions, Inc.

Accepted by:

____ ______________________
Client #1 signature Date

____ ______________________
Client #2 signature Date

Privacy Policy, Compliance with the Gramm-Leach-Bliley Act, Public Law 106-102 (FTC 16 CFR Part 313)

The privacy of your client information has always been important to Italiano Tax Solutions, Inc. (ITS). ITS has always been bound by professional standards of confidentiality. However, we are required by law to formally inform you of our privacy policy.

We collect nonpublic personal information about you that is provided by you or obtained by us with your authorization. This information may come from various sources, including information we receive from personal interviews, tax organizers, worksheets and other documents necessary to provide professional services to you.

ITS does not disclose any nonpublic personal information about our clients or former clients to anyone, except as permitted or required by law, or when necessary to process transactions requested by a client.

ITS restricts access to nonpublic personal information about you to members of the firm who need to know that information in order to provide you professional services. ITS retains records relating to the professional services that ITS provides you in accordance with accounting and government standards.

ITS employs physical, electronic, and procedural security safeguards to protect your nonpublic personal information.

Your confidence and trust are important to every employee at Italiano Tax Solutions, Inc. If you have any questions or concerns regarding the privacy of your nonpublic personal information, please contact our office.

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2023 TAX ORGANIZER

Taxpayer Information		Spouse Information	
Last name		Last name..................	
First name		First name	
Middle Initial..............	Suffix.........	Middle Initial	Suffix.........
Social security number		Social security number	
Occupation		Occupation..................	
Work phone	Ext ...	Work phone.................	Ext ...
Cell phone		Cell phone	
E-mail address...........		E-mail address.............	
Date of birth		Date of birth	

Address .... ______ Apartment number....... ______

City .... ______ State........... ______ ZIP Code....... ______

Home phone........ ______ Fax number .... ______

Dependent Information

First name / Last name	MI / Suffix	Social Security Number / Relationship	Date of Birth	Months Lived with Taxpayer	Child Care Expense

Child and Dependent Care Provider Expenses

Name	Address	ID Number	Amount Paid

Education Tuition and Fees

Attach all Form 1098-Ts and a list of your qualified education expenses.

Student Loan Interest Paid

Enter total 2023 qualified student loan interest.. ______

2023 Income

Attach Form(s) W-2 — Wages, Salaries, Tips and Other Compensation

Employer Name	2022 Amount

Attach Form(s) 1099-R — Distributions from Pensions, Annuities, Retirement, Profit-Sharing, IRAs, etc

1099-R Payer Name	2022 Amount

Attach Form(s) SSA-1099 — Social Security/Railroad Benefits

	Taxpayer	Spouse
Social Security Benefits from Form SSA-1099		
Railroad Retirement Benefits from Form RRB-1099		
Medicare B premiums withheld		
Medicare C premiums withheld		
Medicare D premiums withheld		

Attach Form(s) 1099-MISC — Miscellaneous Income and 1099-NEC

1099-MISC Payer Name and 1099-NEC Payer Name

Attach Form(s) 1099-INT — Interest Income

1099-INT Payer Name	2022 Amount

Attach Form(s) 1099-DIV — Dividend Income

1099-DIV Payer Name	2022 Amount

Attach Form(s) 1099-B, 1099-S – Sales of Stocks, Bonds, Real Estate, etc

Attach all stock sale transaction information, including initial cost information.

Other Government Forms to attach:

Form(s) 1099-G — Certain Government Payments, Schedule K-1s — Partnership, S-Corporation, Trust or Estate Income, Form(s) W-2G — Gambling or Lottery Winnings, Form(s) 1099-Q — Payments from Qualified Education Programs

Other Income:

Alimony, jury duty, unreported tips, disability income, etc. Business, rentals, farms: Attach income and expenses for any business, rental or farm you own. Include a list of all new equipment acquired this year, including date of purchase and cost.

Retirement Plan Contributions

	Taxpayer	Spouse
Traditional IRA contributions made for 2023		
Roth IRA contributions made for 2023		
SEP, Keogh, Individual 401(k) or SIMPLE Contributions		

Medical and Dental Expenses

	2023 Amount	2022 Amount
Prescription medications		
Health insurance premiums		
Doctors, dentists, etc		
Hospitals, clinics, etc		
Eyeglasses and contact lenses		
Miles driven for medical purposes		

Other medical and dental expenses:

	2023 Amount	2022 Amount

Taxes

	2023 Amount	2022 Amount
Real estate taxes paid on principal residence		
Real estate taxes paid on additional homes or land		
Auto license registration fees based on the value of the vehicle		
Other personal property taxes		

Interest Expenses

Home mortgage interest paid — Attach Form(s) 1098.

Lender's Name	2023 Amount	2022 Amount

Points paid on loan to buy, build or improve main home

Lender's Name	2023 Amount

Cash/Check/Credit Contributions

	2023 Amount	2022 Amount

Noncash Charitable Contributions

Attach all receipts with details listing the following information: Donee, donee address, description of donation, date acquired and date contributed, your cost, value at time of donation, and how you acquired the property.

Miscellaneous Deductions

	2023 Amount	2022 Amount
Union and professional dues		
Professional subscriptions, books, supplies		
Uniforms and protective clothing (including cleaning)		
Job search costs		
Taxpayer educator expenses		
Spouse educator expenses		
Tax return preparation fees		
Safe deposit box rental		
Gambling losses (to the extent of gambling income)		

Other expenses (list):

	2023 Amount	2022 Amount

		Yes	No
1	Did a lender cancel any of your debt in 2023? (Attach any Forms 1099-A or 1099-C)	☐	☐
2	Did you make energy efficient improvements to your home or purchase any energy-saving property during 2023? If **yes,** please attach details	☐	☐
3	Did you purchase a motor vehicle or boat during 2023 ? If **yes,** attach documentation showing sales tax paid.	☐	☐
4	Did you purchase a hybrid or electric vehicle in 2023? If **yes,** enter year, make, model, and date purchased: ______	☐	☐
5	Did you donate a vehicle in 2023? If **yes,** attach Form 1098C	☐	☐
6	What was the sales tax rate in your locality in 2023 ? ______ % State ID ______		
7	Did your marital status change during 2023? If **yes,** explain: ______	☐	☐
8	Were you or your spouse permanently and totally disabled in 2023?	☐	☐
9	Do you have dependents who must file?	☐	☐
10	Do you have children who are under age 19 or a full time student under age 24 with investment income greater than $2,500?	☐	☐
11	Did you provide over half the support for any other person during 2023?	☐	☐
12	Did you incur adoption expenses during 2023?	☐	☐
13	Did you receive a total distribution from an IRA or other qualified plan that was partially or totally rolled over into another IRA or qualified plan within 60 days of the distribution?	☐	☐
14	Did you receive any disability payments in 2023?	☐	☐
15	Did you receive tip income **not** reported to your employer?	☐	☐
16a	Did you buy, sell, refinance, foreclose or abandon a principal residence or other real property in 2023 ? If **yes,** attach closing or escrow statements, 1099-C or 1099-A forms	☐	☐
b	If you sold a home, did you claim the First-Time Homebuyer Credit when you purchased it?	☐	☐
17	Did you incur any casualty or theft losses during 2023?	☐	☐
18	Did you incur any non-business bad debts?	☐	☐
19	Did you pay any individual for domestic services in 2023 ?	☐	☐
20	Did you buy or sell any stocks or bonds in 2023 ?	☐	☐
21	Did you use the proceeds from Series EE or I U.S. savings bonds purchased after 1989 to pay for higher education expenses?	☐	☐
22	Did you incur any moving expenses? If **yes,** attach details	☐	☐
23	Did you receive any income not included in this Tax Organizer? If **yes,** please attach information.	☐	☐
24	Do you expect your income and deductions in 2024 to be the same as 2023 ? If **no,** attach explanation of changes expected.	☐	☐
25	Did you receive Form 1095-A (Health Insurance Marketplace Statement)? If so, please attach	☐	☐
26	At any time during 2023, did you sell, send, exchange, or otherwise acquire any financial interest in any virtual currency?	☐	☐
27	**a** Did you obtain a Paycheck Protection Program (PPP) loan?	☐	☐
	b If yes, has any portion of that loan been forgiven?	☐	☐
28	If you paid any alimony, enter recipient's SSN: ______ Alimony paid: ______		
29	Enter your state of residence **Taxpayer** ______ **Spouse** ______		
30	**a** Do you want to change the language with which the IRS communicates with you?	☐	☐
	b If yes, which language? ______		

Electronic Filing and Direct Deposit of Refund

	Yes	No
If your tax return is eligible for Electronic Filing, would you like to file electronically?	☐	☐
The Internal Revenue Service is able to deposit many refunds directly into taxpayers' accounts. If you receive a refund, would you like direct deposit?	☐	☐

If **yes,** please provide a voided check (not a deposit slip) if your bank account information has changed.

What type of account is this? Checking ☐ Savings ☐

Estimated Tax Paid

Federal		State			Local		
Date	Amount	Date	Amount	ID	Date	Amount	ID

Additional Information (Enter any additional information here and attach any documents.)

Health Insurance Coverage

Preparer note: The fields on this form are non-enterable. This worksheet is meant to gather client data only. This worksheet will not transfer to the ProSeries/1040 product. Data from this worksheet must be manually entered on the appropriate form in ProSeries/1040.

Part 1 Coverage

Enter the name, SSN/DOB and health insurance status for each person who will claim on your return in the table below:

					Indicate which months each person was covered by MEC*:											
Name of covered individual(s)	**SSN or DOB**	**Covered 12 mos**	**Exchange Policy**	**Exemption Received**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**
1.																
2.																
3.																
4.																
5.																
6.																
7.																
8.																
9.																

*Minimum Essential Coverage (MEC) includes employer-sponsored coverage, health insurance purchased through the Health Insurance Marketplace (Exchange), Medicare, Medicaid, certain VA coverage, Tricare, etc.

For tax year 2020, the Federal ACA tax penalty has been eliminated, however, you may still be subject to a state tax penalty depending on where you live because some states have created their own individual insurance mandates to replace the federal version. These mandates require state residents to have qualifying health coverage or pay a fee with their state taxes.

Use this worksheet to list the names of individuals listed on the income tax return and their health care insurance coverage status. It will help your tax preparer determine who has health insurance coverage.

If you purchased a health insurance policy from an exchange (or Marketplace), check the Exchange Policy box above. You will receive Form 1095-A from the exchange that issued your policy. Please provide this form with your Organizer documents to your tax preparer.

Please call with any questions on this worksheet.