



Offering Tax Efficient Financial Planning^{SM}*

ENGAGEMENT LETTER

Please read this letter, sign and bring with your completed organizer and documents. We are unable to begin processing the return without all of the above items.

Client Name _____

We are pleased to confirm our understanding of the arrangements for your income tax return(s). This letter confirms the services you have asked our firm to perform and the terms under which we have agreed to do that work. Please read this letter carefully because it is important to both our firm and you that you understand what you can and cannot expect from our work. In other words, we want you to know the limitations of the services you have asked us to perform. If you are confused at all by this letter or believe we have misunderstood what you need, please call us before signing it.

The Internal Revenue Service imposes penalties on taxpayers, and on us as return preparers, for failure to observe due care in reporting for income tax returns. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to confirm the following arrangements.

We will prepare your 2011 federal and Kansas income tax returns and related schedules from information that you will furnish. We will make no audit or other verification of the data you submit, although we may ask you for clarification of some of the information. If you have taxable activity in a state other than Kansas, please list that state or local taxing jurisdiction _____.

We are responsible for preparing only the specific individual income tax forms for the specified reporting agencies listed in this letter. Any other required services, forms or other actions on our part require a separate engagement letter. In the absence of written communication from us documenting such services, our services will be limited to and governed by the terms of this engagement letter. This engagement letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations or agreements, written or oral, regarding these services. It shall be binding on the heirs, successors and assigns of you and us.

If you have derived income from a foreign country, we will use the foreign country income information which you provide to calculate any applicable federal or state foreign tax credit or other affected federal or state income tax items. If you have amounts in excess of \$10,000 invested in a foreign country, the IRS requires that you disclose this on Form 1040.

Taxing authorities, by regulation, require you to both maintain and retain information substantiating all items reported on your returns. Requirements for documentation are especially important for deductions of travel, entertainment, auto, and computer use. Should you have any questions on what will satisfy these requirements, we will be happy to advise you. These records must be kept by you for a minimum of three (3) years but we advise they be maintained in secure storage for seven (7) years. Neither Plus Accounting, Inc. nor individual preparers is responsible for the disallowance of inadequately supported deductions, nor for resulting taxes, penalties and interest.

We will use our professional judgment in preparing your returns. Whenever we are aware that a possibly applicable tax law is unclear or that there are conflicting interpretations of the law by authorities, we will explain the possible positions that may be taken on your return. We will adopt whatever position you request on your return so long as it is consistent with the codes, regulations, and interpretations that have been promulgated. If the Internal Revenue Service 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. When a self-employed taxpayer reduces taxable income there is

also a reduction in earned income reported to the Social Security Administration, which could reduce current and future benefits for the taxpayer and his or her dependents. You acknowledge and agree to the current tax reduction and the potential negative effects on future social security benefits for you, your spouse and any dependents.

Fees for services are based on the time involved and complexity of the return and are due upon completion of the work. We do, however, reserve the right to ask for retainer fees to be paid in advance of work done in certain circumstances. Any bookkeeping or payroll services will be specific to the client and are separate from tax preparation fees. Delivery and electronic filing of the completed return will be delayed until payment for the preparation of the tax return has been received. You acknowledge and agree that in the event returns are not transmitted as a result of your failure to pay for services rendered under this agreement, we shall not be liable to you for any damages that occur as a result of our ceasing to render services. Our services will conclude upon delivery of the completed tax return to you and acknowledgment the return has been accepted for processing if filed electronically or upon our suspension of services or resignation from the engagement.

We appreciate the opportunity to serve you. Please date and sign this letter to acknowledge your agreement with and acceptance of your responsibilities and the terms of this engagement. It is our policy to initiate services after we receive the signed engagement letter. If any provision of this agreement is declared invalid or unenforceable, no other provision of this agreement is affected and all other provisions remain in full force and effect.

Sincerely,

Cathy Bowen, EA

_____ (Client Signature) _____ (Date)

I have read the above terms of the engagement letter and agree with the terms of this engagement.