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**WILSON HANSON & BLOM, LLP**

### **INDIVIDUAL TAX RETURN ENGAGEMENT LETTER**

We appreciate the opportunity to work with you. The Internal Revenue Service imposes penalties upon taxpayers and tax return preparers for failure to observe due care in reporting for income tax returns. This letter is to specify the terms of our engagement, clarify the nature and extent of the services we will provide, and confirm an understanding of our mutual responsibilities.

We will prepare your 2018 federal income tax return and, if appropriate, your 2019 federal estimated tax vouchers. You are responsible for providing true, correct and complete information about your tax matters. We will make no audit or other verification of the data you submit, although we may need to ask you for clarification of some of the information. We will furnish you with organizers to guide you in gathering the necessary information. Your use of such forms will assist in keeping pertinent information from being overlooked and keep our fee to a minimum. Please advise us of any state tax returns you are required to file and provide all the information necessary to prepare state/local tax returns.

You represent that the information you are supplying is accurate and complete to the best of your knowledge and that records as required by law support your expenses for meals, entertainment, travel, business gifts, charitable contributions, dues and memberships, and vehicle use. You should retain all documents, cancelled checks and other data that form the basis of income and deductions. All original client documents will be returned to you. It is your responsibility to retain and protect your records for possible future use, including any potential examinations by any governmental or regulatory agency. If you have any questions as to the type of records required, please ask for advice. We will rely, without further verification, upon information you provide to us and information provided from third parties including, but not limited to, W2s, K1s, 1099s, and 1098s and other similar documentation. We will rely on your answers and any forms you may have received regarding mandatory health insurance coverage and other related information for you, your spouse and dependents under the Affordable Care Act (ACA). You have final responsibility for your income tax return(s) and, therefore, you should carefully review your return(s) before you sign and file.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover fraud, thefts, or other irregularities, should any exist. We will contact you if during the engagement we become aware of any such material errors. We will render such accounting and bookkeeping assistance as we find necessary for the preparation of your income tax returns. We will use our judgment to resolve questions in your favor where a tax law is unclear if there is reasonable justification for doing so. Whenever we are aware that a possible applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (ie. IRS or Courts), we will explain the possible positions that may be taken on your return. We will follow whatever position you request, so long as it is consistent with the current codes and regulations and their interpretations. If the IRS or state tax authorities should later contest the position taken, there may be an assessment of additional tax, interest and penalties. We assume no liability for any such additional tax, interest, and penalties or other fees and assessments. When a self-employed taxpayer reduces taxable income by electing accelerated depreciation (Sec 179 and/or bonus) there is 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 understanding and agree to current tax reduction elections and the potential negative effects on future social security benefits for you, your spouse and any dependents.

This engagement does not include responding to inquiries by any governmental agency or tax authority. If your return is selected for examination or audit, you may request that we assist you in responding to such inquiry. Any items that may be resolved against you by the examining agent are subject to certain rights of appeal. However, our fees for preparing your tax returns do not include representing you in the case of an examination of your tax return or responding to any other inquiry regarding your tax return.

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Privacy laws established by the IRS prohibit us from providing confidential information or copies to anyone other than you without your specific written authorization. At times we may communicate with you or third parties (at your direction) by fax, email or by web portal and these communications may include confidential information. While we 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.

**In order to comply with rules regarding privacy we are no longer able to give refund amounts or amounts due on the telephone or by email. Please pick up your tax return as soon as possible after notification of its completion to access this information.**

It is our policy to retain tax returns and related documents for a period of seven years, after which time we will commence the process of destroying the contents of our files. If you no longer use our services we will destroy your records after a period of three years. We return all original documents back to you so you always have everything we have.

Our fees for services will be based upon our standard billing rates plus any out-of-pocket expenses incurred. All invoices will be due and payable upon completion of your tax return unless other arrangements are made. Fees charged for tax preparation do not include tax planning or responding to IRS inquiries. Please indicate on the organizer that you would like to direct deposit your refund and provide your banking information. If your return has been completed and processed there will be an additional charge to change your return.

We are required to file your return electronically with the Internal Revenue Service. You must review your federal tax return and sign IRS Form 8879, and any similar state authorization form, if applicable, before we can electronically transmit your return to the IRS. Both taxpayers must sign a jointly filed tax return. We are not responsible for the length of time it takes the IRS to process your return. You may prefer to mail your return and if so, please discuss this with your preparer at your tax interview or let our personnel know when you drop off your tax return information as there additional procedures that must be followed.

If an extension to file is requested, any tax due must be paid with the extension. It is your responsibility to determine the amount to be sent with your extension. Any amounts not paid by April 15, 2019 will be subject to interest and late payment penalties. Please note that tax returns whose information is received too closely to the filing deadline most likely will have to be extended. It is your responsibility to make your quarterly estimated tax payments for the current year even if your tax return for the prior year is extended.

We appreciate the opportunity to be of service to you. **Please sign and date this engagement letter.** We will begin the preparation of your return after we have a signed engagement letter.

*Wilson Hanson & Blom, LLP*

Wilson Hanson & Blom, LLP

Please sign below if the terms described in this letter are acceptable and are hereby agreed to.

**SIGNATURE** \_\_\_\_\_ **DATE** \_\_\_\_\_

Please Print Name \_\_\_\_\_

If filing a joint tax return as a married couple, the signer is assumed to have his/her spouse's full agreement and permission to sign on their behalf.

Please check the box for any additional services requested:

State Income Tax Return(s) Which states are required? \_\_\_\_\_

Bookkeeping assistance for tax preparation

Form FinCen 114 – A return must be filed if you have a financial interest in any foreign accounts

Gift Tax Returns

Additional services-please indicate \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_



# 2018 Individual Tax Organizer

**WILSON HANSON & BLOM, LLP**

If your information is the same as last year, please check the box marked same as Last Year (SALY)

<input type="checkbox"/> SALY		<b>PERSONAL INFORMATION</b>	
YOUR NAME _____		SSN _____	DOB _____
SPOUSE'S NAME _____		SSN _____	DOB _____
YOUR OCCUPATION _____		SPOUSES OCCUPATION _____	
ADDRESS _____		CITY/STATE ZIP _____	
PRIMARY EMAIL ADDRESS: _____			
PHONE # - HUSBAND WIFE HOME OFFICE CELL _____			IP PIN _____
PHONE # - HUSBAND WIFE HOME OFFICE CELL _____			IP PIN _____

Do you wish to contribute \$3 to the Presidential Election Fund? YES NO      Does your spouse? YES NO

<input type="checkbox"/> SALY		<b>DEPENDENTS</b>				
DEPENDENT'S NAME	DOB	SSN	RELATIONSHIP	Months lived in home in 2018?	Full time Student?	Child provide >50% support?
					Y N	Y N
					Y N	Y N
					Y N	Y N

Are any children mentally/physically disabled? YES NO      A child claimed as a dependent must either be younger than 19 OR be a student and younger than 24.

Did you pay 2018 Estimated Tax payments?	YES	NO
2017 OVERPAYMENT APPLIED TO 2018		
PAYMENT #1-PAID APRIL 17, 2018		
PAYMENT #2-PAID JUNE 15, 2018		
PAYMENT #3-PAID SEPT 17, 2018		
PAYMENT #4-PAID JAN 15, 2019		

<b>BANKING INFORMATION</b>	
Do you want refund applied to 2018?	YES NO
BIV _____	
Direct deposit refund to bank?	YES NO
Is the bank information same as last year?	YES NO
If bank information has changed, provide new info below:	
BANK NAME: _____	
CHOOSE ONE:	CHECKING SAVINGS
ROUTING #: _____	
ACCOUNT #: _____	

## INCOME

PROVIDE	W-2s	<input type="checkbox"/>	1099Rs	<input type="checkbox"/>	Social Security Benefits	Affordable Care Act
State Income Tax Refund	Y N				You: \$ _____	Did you have a health insurance plan that meets the requirements of the Affordable Care Act? Y N Have health insurance through the Marketplace? Y N
W2-G Gambling Winnings/ Prizes	Y N				Spouse: \$ _____	
Alimony Received	Y N				FHW <input type="checkbox"/> ***	
Unemployment	Y N				<b>HSA-Form 1099-SA</b>	
Education Fund Distribution	Y N				Distribution amount? _____	Traditional IRA converted to Roth IRA? Y N
					Amount spent on qualified medical? _____	

Miscellaneous Income									
	Description	Amount	SE	QBI		Description	Amount	SE	QBI
H W						H W			
H W						H W			
H W						H W			



**Miscellaneous**

Were any gifts made to an individual or trust of more than \$15,000 in 2018?	YES	NO	If yes, provide information.
Was any real property transferred to or from parents?	YES	NO	If yes, provide information.
Alimony payments - Recipient:	SSN:	Amount:	\$
Educator Expense - Limited to \$250 per K-12 educator:	You:	\$	Spouse: \$
School loan interest paid in 2018 (loan is for you, spouse or dependent): Form 1098-E:	\$	\$	

**RETIREMENT ACCOUNT CONTRIBUTIONS**

**IRA CONTRIBUTIONS FOR 2018: MAXIMUM IRA CONTRIBUTION \$5,500 OR 6,500 IF 50 OR OLDER. Must be contributed by April 15, 2019.**

<b>YOU:</b>	ROTH IRA <input type="checkbox"/> TRADITIONAL IRA <input type="checkbox"/>	AMOUNT: \$ _____	CONTRIBUTED YET? YES NO
	Next section for self-employed individuals and partnerships ONLY. Do not report retirement funds deducted from W-2		
	401K <input type="checkbox"/> SEP <input type="checkbox"/> SIMPLE <input type="checkbox"/>	AMOUNT: \$ _____	CONTRIBUTED YET? YES NO
<b>SPOUSE:</b>	ROTH IRA <input type="checkbox"/> TRADITIONAL IRA <input type="checkbox"/>	AMOUNT: \$ _____	CONTRIBUTED YET? YES NO
	Next section for self-employed individuals and partnerships ONLY. Do not report retirement funds deducted from W-2		
	401K <input type="checkbox"/> SEP <input type="checkbox"/> SIMPLE <input type="checkbox"/>	AMOUNT: \$ _____	CONTRIBUTED YET? YES NO

**CHILD/DEPENDENT CARE EXPENSES**

Provider's Name	SSN/EIN	Address	Amount
			\$
			\$
			\$
Did you participate in a reimbursement program where you work?	YES	NO	Amount \$ _____

**EDUCATION DEDUCTIONS AND CREDITS – Provide Form 1098-T**

STUDENT'S NAME	Year in School: 1 <sup>st</sup> 2 <sup>nd</sup> 3 <sup>rd</sup> 4 <sup>th</sup>	LLC
STUDENT'S NAME	Year in School: 1 <sup>st</sup> 2 <sup>nd</sup> 3 <sup>rd</sup> 4 <sup>th</sup>	LLC
TUITION & FEES PAID FOR POST SECONDARY EDUCATION		\$ _____ \$ _____
REQUIRED COURSE MATERIAL, BOOKS & EQUIPMENT (Includes computer)-ONLY QUALIFIES FOR AOTC		\$ _____ \$ _____
SCHOLARSHIPS RECEIVED		\$ ( _____ ) \$ ( _____ )
		\$ _____ \$ _____

**2018 Standard Deduction: Married Filing Joint - \$24,000**  
**Single / MFS \$12,000**  
**House of Household \$18,000**

If your itemized deductions are not in excess of the above amounts, it is not necessary to compile itemized deductions. However, if you file a state tax return, we will need these deductions.

**\*\*Tip\*\* Your medical deductions have to be more than 7.5% of your total income in order to benefit.**

**MEDICAL EXPENSES - Do NOT include any amounts paid out of pretax medical plans (HSA or FSA) or reimbursed by insurance**

<b>MEDICAL INSURANCE PREMIUMS-DO NOT LIST IF PREMIUMS ARE PRE-TAXED AT YOUR JOB</b>			
<b>LONG TERM CARE INSURANCE PREMIUMS - YOU &amp; SPOUSE</b>			
<b>MEDICARE/DRUG PREMIUMS FROM SOCIAL SECURITY BENEFITS-YOU &amp; SPOUSE</b>			
<b>DOCTORS, DENTISTS, PRESCRIPTION DRUGS, EYEGLASSES, CONTACTS, ETC.</b>			
<b>TOTAL MILES DRIVEN FOR MEDICAL</b> _____ <b>X 18¢</b>			
<b>HSA coverage? Self-Only Family</b>	<b>Amt Contributed to</b>	\$ _____	\$ _____

**TAXES - Sales tax is deductible. Your option is actual receipts or use of IRS Table. Sales tax paid on vehicles, motorcycles, motor homes, recreational vehicles, boats, mobile homes and home building materials can be added to the amounts on the table so provide information.**

<b>DID YOU PAY TAX ON VEHICLES-MOTORCYCLES-MOBILE HOMES-RVS?</b>	YES NO	
<b>DID YOU PAY SALES TAX ON HOME BUILDING MATERIALS?</b>	YES NO	
<b>ARE YOU CLAIMING ACTUAL SALES TAX? (MUST HAVE RECEIPTS)</b>	YES NO	
<b>REAL ESTATE TAXES</b>	OIH	
<b>OTHER TAXES:</b>		

**INTEREST EXPENSE**

<b>Did you refinance in 2018?</b>	YES NO	<b>How many years is new loan?</b> _____	<b>Bring closing statement</b>
<b>MORTGAGE INTEREST:</b>	OIH		
	PTS		
<b>INVESTMENT INTEREST PAID TO:</b>			

**DID YOU MAKE ANY CASH CONTRIBUTIONS TO QUALIFIED NONPROFIT CHARITIES? YES NO**

You must have a cancelled check or receipt for all monetary donations regardless of amount. For individual donations of \$250 or more (money or property) you must have written acknowledgement from the organization by the date your tax return is filed.

**DO YOU HAVE REQUIRED DOCUMENTATION? YES NO**

<b>TOTAL DOLLARS DONATED TO CHARITY</b>	\$ _____
	<b>K-1</b>
<b>DID YOU HAVE ANY VOLUNTEER MILES? YES NO IF YES, HOW MANY?</b>	_____ <b>X 14¢</b>

If you made any noncash contributions to qualified non-profit organizations be aware that donated used clothing and household items must be in good or better condition. If items are not in good condition and valued over \$500, an appraisal needs to be attached to your return. Your contribution should be for the amount that a thrift store could sell the item. Donations over \$500 require full detail below. Do you have acknowledgement and/or appraisal? YES NO

NAME OF CHARITY	ADDRESS	CONTRIBUTION DATE	DESCRIPTION	FAIR MARKET VALUE	ORIGINAL COST

State Tax Return? Y N

Tax Preparation Fees? \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_

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