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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 2019 federal income tax return and, if appropriate, your 2020 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, 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. 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.

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.

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605-342-8681 ❖ Fax: 605-342-8658 ❖ www.whbcpa.com

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 six 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, 2020 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** _____

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-Due date is the same as individual tax return including extension

Additional services-please indicate _____



2019 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		PERSONAL INFORMATION			
YOUR NAME _____		SSN _____	DOB _____	BLIND? _____	
SPOUSE'S NAME _____		SSN _____	DOB _____	BLIND? _____	
YOUR OCCUPATION _____		SPOUSES OCCUPATION _____			
ADDRESS _____			CITY/STATE ZIP _____		
PRIMARY EMAIL ADDRESS: HUSBAND WIFE					
PHONE # - HUSBAND WIFE HOME OFFICE CELL				IP PIN Yes	
PHONE # - HUSBAND WIFE HOME OFFICE CELL				IP PIN Yes	

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

<input type="checkbox"/> SALY		DEPENDENTS				
DEPENDENT'S NAME	DOB	SSN	RELATIONSHIP	Months lived in home in 2019?	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 2019 Estimated Tax payments? YES NO		
	DATE PAID	AMOUNT
2018 OVERPMT APPLIED TO 2019		
PAYMENT #1-PAID APRIL 15, 2019		
PAYMENT #2-PAID JUNE 17, 2019		
PAYMENT #3-PAID SEPT 16, 2019		
PAYMENT #4-PAID JAN 15, 2020		

BANKING INFORMATION BIV		
Do you want refund applied to 2020?	YES	NO
Direct deposit refund to bank?	YES	NO
Bank information same as last year?	YES	NO
If bank information has changed, provide voided check:		
BANK NAME:		
CHOOSE ONE:	CHECKING	SAVINGS
ROUTING #:		
ACCOUNT #:		

INCOME						
# W-2s <input type="checkbox"/>	#1099Rs <input type="checkbox"/>	RMD H W	Marketplace health insurance? Y N If yes, provide Form 1095-A		Social Security Benefits	
QCD Y N			Alimony Rcvd	Date of Divorce	You: \$	
Traditional IRA rolled to Roth IRA			Alimony Paid	Date of Divorce ()	Spouse: \$	
			Unemployment	1099-G	FWH <input type="checkbox"/> ***	\$
Gambling Winnings/ Prizes W2-G			State Income Tax Refund	1099-G	HSA-Form 1099-SA	
Gambling Losses			Education Distribution	1099-Q	Distribution amount?	
					Amount spent on qualified medical?	

Miscellaneous Income-Provide 1099-MISC									
	Description	Amount	SE	QBI		Description	Amount	SE	QBI
HW						HW			
HW						HW			
HW						HW	Virtual Currency/Bitcoin		

Miscellaneous

Were any gifts made to an individual or trust of more than \$15,000 in 2019?	YES	NO	If yes, provide information.
Was any real property transferred to or from parents?	YES	NO	If yes, provide information.
Educator Expense - Limited to \$250 per K-12 educator:	You: \$	Spouse: \$	
School loan interest paid in 2019 (loan is for you, spouse or dependent): Form 1098-E:	\$	\$	
In 2019, did you acquire any interest in a partnership, LLC, S Corporation, estate or trust? If so, provide Schedule K-1.			

RETIREMENT ACCOUNT CONTRIBUTIONS – IRA due date April 15, 2020

**MAXIMUM IRA CONTRIBUTION for 2019 per individual: \$6,000 OR 7,000 IF 50 OR OLDER.
We highly recommend that no IRA contribution be made until the allowable amount has been determined.**

YOU:

Contribution Made Yet? Yes No	ROTH IRA <input type="checkbox"/>	AMOUNT: \$ _____	401K <input type="checkbox"/>	AMOUNT: \$ _____
	TRADITIONAL IRA <input type="checkbox"/>		SEP <input type="checkbox"/>	
			SIMPLE <input type="checkbox"/>	
Self-employed individuals and partnerships ONLY. Do not report retirement funds deducted from W-2				

SPOUSE:

Contribution Made Yet? Yes No	ROTH IRA <input type="checkbox"/>	AMOUNT: \$ _____	401K <input type="checkbox"/>	AMOUNT: \$ _____
	TRADITIONAL IRA <input type="checkbox"/>		SEP <input type="checkbox"/>	
			SIMPLE <input type="checkbox"/>	
Self-employed individuals and partnerships ONLY. Do not report retirement funds deducted from W-2				

CHILD/DEPENDENT CARE EXPENSES

Provider's Name	SSN/EIN	Address	Amount
			\$
			\$
			\$
Did you participate in a reimbursement program where you work? If yes, Amount \$			\$

EDUCATION DEDUCTIONS AND CREDITS – Provide Form 1098-T

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

ENERGY CREDIT

IMPORTANT: Credit was extended thru 12/31/2020. It's RETROACTIVE for the 2018 filing year. May impact 2018 tax return, discuss with tax preparer.

- The credit is only available to improvements made to your PRIMARY residence. Do not include improvements made to vacation or rental property.
- The maximum CUMULATIVE credit you can receive is \$500. If you have already received the maximum credit, STOP. You do not qualify.
- Not all energy star labeled products qualify for the credit, ask seller if property qualifies.

DID YOU MAKE ENERGY IMPROVEMENTS TO YOUR PRIMARY RESIDENCE? YES NO

Insulation Material (No installation cost)	Qualified Metal/Asphalt Roof (No installation cost)
Exterior Windows and/or Doors (No installation cost)	Heating/Air Conditioning Systems (Includes installation)
Air Circulating Fans (Includes installation)	Water Heaters/Pumps/ Biomass Fuel Stoves (Includes installation)

Standard Deduction: MFJ - \$24,400 Single/MFS - \$12,200 HOH - \$18,350

MEDICAL EXPENSES - Do NOT include any amounts paid out of pretax medical plans (HSA or FSA) or reimbursed by insurance
****Tip**** Your medical deductions have to be more than 7.5% of your adjusted income in order to benefit.

MEDICAL INSURANCE PREMIUMS-DO NOT LIST IF PREMIUMS ARE PRE-TAXED AT YOUR JOB			
LONG TERM CARE INSURANCE PREMIUMS - YOU & SPOUSE			
MEDICARE/DRUG PREMIUMS FROM SOCIAL SECURITY BENEFITS-YOU & SPOUSE			
DOCTORS, DENTISTS, PRESCRIPTION DRUGS, EYEGLASSES, CONTACTS, ETC.			
TOTAL MILES DRIVEN FOR MEDICAL _____ X 20¢			

HSA coverage? Self-Only Family Amt Contributed \$ _____ \$ _____

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.

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

INTEREST EXPENSE

Did you refinance in 2019?	YES	NO	How many years is new loan? _____	Bring closing statement
MORTGAGE INTEREST:			OIH	
Mortgage Insurance:			PTS	
INVESTMENT INTEREST PAID TO:				

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
TOTAL DOLLARS DONATED TO CHARITY	\$ _____	
	K-1	

DID YOU HAVE ANY VOLUNTEER MILES? IF YES, HOW MANY? _____ X 14¢

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

Advisory Fees \$ _____
 _____ \$ _____

Tax Preparation Fees \$ _____

State Tax Return Yes No

A	\$ _____
C	\$ _____
E	\$ _____
	\$ _____

IMPORTANT: Itemized deductions must be MORE than the standard deduction in order to benefit BUT you may still be able to itemize on a STATE tax return. So if you have a state tax return, still provide information on this page.