

# Anspach Financial Group

## LETTER OF ENGAGEMENT

We appreciate the opportunity to work with you in 2024. This letter confirms and specifies the terms of our engagement with you and clarifies the nature and extent of the services we will provide. To ensure an understanding of our mutual responsibilities, we ask you to confirm the following arrangements.

We will prepare your 2023 federal and state income tax returns from the information you provide us. We will not audit or otherwise verify the data you submit, although we may ask you for clarification of some of the information. We will provide a questionnaire and organizer to guide you in gathering the necessary information.

It is your responsibility to provide all of the information required for the preparation of complete and accurate returns. You should retain all of the documents and data that substantiate your income and deductions as these may be necessary to prove the accuracy and completeness of the returns to a taxing authority. **You have the final responsibility for the income tax returns and therefore, you should review them carefully before they are filed.**

We will use our judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless instructed otherwise by you, we will resolve such questions in your favor whenever possible. If your return is selected for audit by a tax agency, you may engage us to assist or represent you.

You are responsible for reporting your worldwide income from all sources. By signing this letter you acknowledge that you will inform us if you have any foreign assets, income from foreign sources, or if you have signatory authority over any foreign accounts. We will review any income/account information if you are unsure of its source. **Note: The penalties for failure to report foreign activities are severe.**

**All invoices are due and payable upon presentation.** A service charge may be assessed on delinquent accounts.

**We require all of our clients to return this signed engagement letter and the completed questionnaire that follows. Please ensure that you include these with your tax documents when you submit them to our office.**

I/we understand the contents of this letter and confirm that the questionnaire responses and all tax information provided to Anspach Financial Group for the preparation of income tax returns is complete and accurate to the best of my (our) knowledge.

Accepted By: \_\_\_\_\_

Date: \_\_\_\_\_

Spouse, if joint return \_\_\_\_\_

Date: \_\_\_\_\_

## Questions

Please check the appropriate box and include all necessary details and documentation.

	<u>Yes</u>	<u>No</u>
<b>Personal Information</b>		
Did your marital status change during the year?	<input type="checkbox"/>	<input type="checkbox"/>
Do we have your correct mailing and email address?	<input type="checkbox"/>	<input type="checkbox"/>
Do you want direct deposit of tax refunds? <i>If yes, please complete account information form in the Appendix at the end of this Questionnaire.</i>	<input type="checkbox"/>	<input type="checkbox"/>
Do you want direct debit of tax amounts due, including estimated payments? <i>If yes, you must complete the account information form in the Appendix and confirm payment instructions directly with your advisor.</i>	<input type="checkbox"/>	<input type="checkbox"/>
Have you, your spouse or your dependent received an Identity Protection PIN from IRS or been a victim of identity theft? <i>If yes, submit the IRS letter with 2024 IP PIN</i>	<input type="checkbox"/>	<input type="checkbox"/>

### **Dependent Information - Section Does Not Apply to Me [ ]**

*The IRS now requires tax preparers to obtain supporting documentation from those taxpayers claiming dependents and any related credits, and from those filing as Head of Household. Please see list in Appendix at end of the Questionnaire for a partial list of acceptable documents.*

Were there any changes in dependents from the prior year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you provide over half the support for any other person(s) other than your dependent children during the year?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have any dependent children, including those under age 19 or a full-time student under age 24, with unearned (investment) income in excess of \$2,500?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have any dependents who may need to file tax returns? <i>We may need a copy of their returns if not prepared by our firm.</i>	<input type="checkbox"/>	<input type="checkbox"/>
Did you pay for child care while you worked or looked for work?	<input type="checkbox"/>	<input type="checkbox"/>
If you are divorced or separated with child(ren), do you have a divorce decree or other form of separation agreement which establishes custodial responsibilities?	<input type="checkbox"/>	<input type="checkbox"/>

### **Purchases, Sales and Debt Information**

Did you buy, sell, receive or exchange crypto currencies or use crypto currency to pay for goods or services? <i><u>This question must be answered.</u></i>	<input type="checkbox"/>	<input type="checkbox"/>
Did you sell any investments or securities in 2023?	<input type="checkbox"/>	<input type="checkbox"/>
Did you sell, exchange, or purchase any real estate during the year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you refinance a principal residence, second home or rental property in 2023? <i>If yes, please provide copy of final settlement statement from title company.</i>	<input type="checkbox"/>	<input type="checkbox"/>

Yes      No

**Purchases, Sales and Debt Information - Continued**

Did you pay interest on a home equity loan or line of credit in 2023?              
*NOTE: The deduction may be limited to the extent you can document the funds were used for improvements to the property.*

Did you acquire a new or additional interest in a partnership or S corporation?           

**Income Information**

Did you receive any income from property or businesses sold prior to this year?           

Did you receive any unemployment or paid family leave benefits during the year?           

Did you cash any Savings Bonds in 2023?           

Did you receive any payments for administering a trust or estate?           

Did you receive any tip income not reported to your employer?           

Do you have income from any source (including hobbies) that is not reported on a tax document or on your business or rental schedules?           

**Retirement and Other Plan Information**

Did you receive any Social Security, Railroad Retirement or any pension payments?           

Did you receive distributions from any retirement accounts?           

Did you complete any retirement account rollovers?           

If you are over age 70½ did you direct any of your required minimum distribution to a qualified charity?           

Did you make any Roth IRA conversions?           

Did you make any contributions to a Traditional or Roth IRA?           

Do you want your tax advisor to determine if you are eligible to make a Traditional or Roth IRA contribution by the April 15 filing deadline?           

**Health Care Information**

Were you and everyone in your household covered by health insurance for all of 2023?           

*If yes, please provide the source (see below) of coverage to your advisor.*

Form 1095-C employer sponsored plan

Form 1095-A Covered California or other state Affordable Care Plan

Form 1095-B Individual or family plan purchased directly from an insurance company

Other: COBRA, Medicare

Did you contribute to or receive any distributions from a Health Savings Account (HSA)?           

*If yes, please respond to the questions in the Appendix at the end of the questionnaire.*

	<u>Yes</u>	<u>No</u>
<b>Education Information - Section Does Not Apply to Me [ ]</b>		
Did you have any educational expenses during the year on behalf of yourself, your spouse, or a dependent? <i>If yes, provide Form(s) 1098-T and documentation for qualified tuition and related expenses.</i>	<input type="checkbox"/>	<input type="checkbox"/>
Did anyone receive a scholarship for which funds were used for expenses other than tuition?	<input type="checkbox"/>	<input type="checkbox"/>
Did you make any withdrawals from an education savings or 529 Plan account?	<input type="checkbox"/>	<input type="checkbox"/>
Did you pay any student loan interest or have student loan debt cancelled in 2023?	<input type="checkbox"/>	<input type="checkbox"/>

**Itemized Deduction Information - Section Does Not Apply to Me [ ]**  
*Note that you may be able to itemize deductions on your state income tax return even if you claim the standard deduction on your federal return.*

Did you incur a loss due to a federally declared disaster?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have the required receipts for all charitable contributions? <i>NOTE: Any contribution of \$250 and above, requires a letter from the charity.</i>	<input type="checkbox"/>	<input type="checkbox"/>
Are you claiming any noncash charitable contributions which in total exceed \$500 (e.g. clothes, furniture, etc.)? <i>If yes, please provide receipts listing donated items with thrift shop valuations.</i>	<input type="checkbox"/>	<input type="checkbox"/>
Did you donate a vehicle or boat during the year? <i>If yes, please provide Form 1098-C from the donee organization.</i>	<input type="checkbox"/>	<input type="checkbox"/>

**Business Activities - Section Does Not Apply to Me [ ]**

Did you start a new business, or were you paid as an independent contractor?	<input type="checkbox"/>	<input type="checkbox"/>
Did you buy or sell any business assets or equipment?	<input type="checkbox"/>	<input type="checkbox"/>
Are you required to issue 1099s to any individuals or companies for services provided? <i>NOTE: If you paid \$600 or more to an individual or businesses during the year the 1099 rules are applicable.</i>	<input type="checkbox"/>	<input type="checkbox"/>
If you are required to issue 1099s, have you or will you issue and file with tax agencies? <i>NOTE: We will need a copy of your filed Forms 1096 &amp; 1099 unless prepared and filed by our firm.</i>	<input type="checkbox"/>	<input type="checkbox"/>
If you used your auto for business, did you keep all of the required records for us to calculate the business use deduction?	<input type="checkbox"/>	<input type="checkbox"/>
If you have a retirement account established for your business, did you make or do you plan to make any contributions for the 2023 tax year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you engage in any bartering transactions?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any federal, state or local government grants? <i>If yes, please provide detailed information to your advisor.</i>	<input type="checkbox"/>	<input type="checkbox"/>

	<u>Yes</u>	<u>No</u>
<b>Rental Activities - <u>Section Does Not Apply to Me</u> [ ]</b>		
Did you purchase a new rental property or convert a personal use property to a rental in 2023?	<input type="checkbox"/>	<input type="checkbox"/>
Did you rent out any portion of your primary residence, secondary or vacation home on a temporary basis? <i>If yes, please provide any reports generated by a rental agency or service and advise if you are subject to any locally-imposed occupancy taxes for short-term rentals.</i>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a business license for your rental activity, if required?	<input type="checkbox"/>	<input type="checkbox"/>
Are you required to issue 1099s to any individual or business for services provided? <i>NOTE: If you paid \$600 or more to an individual or businesses during the year the 1099 rules are applicable.</i>	<input type="checkbox"/>	<input type="checkbox"/>
If you are required to issue 1099s, have you or will you issue and file them?	<input type="checkbox"/>	<input type="checkbox"/>

**Foreign Assets**

*NOTE: Failure to report foreign accounts can result in severe penalties.*

Do you own or have signature authority over any foreign bank or security accounts?	<input type="checkbox"/>	<input type="checkbox"/>
If yes, did the maximum value of your accounts exceed \$10,000 at any point during the year?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have an interest in a foreign trust, corporation, or partnership?	<input type="checkbox"/>	<input type="checkbox"/>
Do you own any foreign real estate or other assets?	<input type="checkbox"/>	<input type="checkbox"/>
Do you own any foreign issued life insurance policies?	<input type="checkbox"/>	<input type="checkbox"/>

**Foreign Income**

Did you receive income from any source outside the US, including but not limited to any of the following:	<input type="checkbox"/>	<input type="checkbox"/>
Wages or other form of compensation from foreign company or government?	<input type="checkbox"/>	<input type="checkbox"/>
Self-employment income from a foreign source?	<input type="checkbox"/>	<input type="checkbox"/>
Retirement income including foreign pensions and Social Security?	<input type="checkbox"/>	<input type="checkbox"/>
Rents from Property located outside the US?	<input type="checkbox"/>	<input type="checkbox"/>
Investment income from foreign sources? <i>NOTE: This does not include foreign securities held in US financial institutions reported on 1099 Forms.</i>	<input type="checkbox"/>	<input type="checkbox"/>
Any other source of foreign income? <i>If yes, please provide details to your tax advisor.</i>	<input type="checkbox"/>	<input type="checkbox"/>

**Miscellaneous Information**

Yes      No

Did you make any estimated tax payments for the 2023 tax year?         
*If yes, please provide a list of payments made to each tax agency.*

Did you receive or pay alimony?         
*If yes, please provide date of the agreement to your advisor if not already on file.*

Did you make gifts of more than \$17,000 to any individual?      

Did you make any online or out-of-state purchases on which sales tax was not collected? *If yes, please provide total amount of purchases:* \$ \_\_\_\_\_      

Did you pay any individual as a household employee during the year?      

Did you make any solar energy or any other energy efficient improvements to your main home this year?         
*If yes, please provide documentation to your advisor.*

Did you purchase a vehicle that you believe qualifies for a federal tax credit in 2023?      

If you are the beneficiary of an estate or trust, will you receive a tax document for the current tax year?      

Did you incur any foreclosures or have any debts cancelled or forgiven this year?      

Do you want to designate \$3 to the Presidential Election Campaign Fund? (If you check yes, it will not change your tax or reduce your refund.)         
Spouse (If applicable)      

Did you receive correspondence from the Internal Revenue Service or a state tax agency that you have not already submitted to our office?         
*If yes, please include a copy with your tax documents if not previously provided.*

## APPENDIX TO CONFIDENTIAL QUESTIONNAIRE

### Direct Deposit or Direct Debit Account Information:

Financial Institution Name: \_\_\_\_\_

Routing #: \_\_\_\_\_ Account #: \_\_\_\_\_

Type of Account:  Savings  Checking

Check if married filing jointly and this is a joint account

**Note that direct debit instructions must be discussed and confirmed with your tax advisor.**

### Health Savings Account (HSA) Information Required:

1. Provide Forms 1099-SA and 5498-SA (You can log into your HSA account and download 2023 tax documents.)
2. If Form 5498-SA isn't yet available, please provide a copy of the 12/31/23 account statement.
3. Indicate if HSA plan is for  self only or  family plan.
4. Was coverage under a qualified high deductible health plan in place for the full year?  
If not, please provide dates the coverage began \_\_\_\_\_ or ended \_\_\_\_\_
5. Indicate if all HSA distributions were used for qualified medical expenses for individuals in the plan.  
Yes  No  (Please Explain) \_\_\_\_\_
6. If you haven't made the maximum allowable HSA contribution for 2023 do you want to make an additional contribution before April 15, 2024 Yes  No

### Supporting Documents for Dependency-related credits and HOH filing status:

1. Records with child's name and your address (school, medical, daycare or social services)
2. For education credits, receipts or documents for qualified expenses are required in addition to Form 1098-T from higher education institution.
3. In some situations, receipts documenting the costs of providing support for dependents may be required.