

WoodsTaxes, LLC

P.O. Box 150857
Lakewood, Colorado 80215
(303) 776-0498
diane@woodstaxes.com

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services I will provide. I will prepare, from the information you provide, your 2020 Federal and State tax returns. The information furnished will be relied on without independent verification. I will not audit, review, compile or otherwise verify the data you submit although I may ask you to clarify some of the information. 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.

By signing this document you affirm that:

You are responsible for maintaining adequate records to support the income and expense items claimed. **All records, receipts, canceled checks and other documents used to prepare this tax return should be retained by you for three years.** You will provide me with all W-2, 1099, 1095, 1098 and any other official IRS documents.

- You agree that you have reported all 2020 income you received including barter, crypto-currency, foreign, consumer-to-consumer activity, cash-based revenues and all other income whether received in-person, in-kind, or electronically. You have disclosed any foreign bank account.
- The use of the client portal is for sharing and storing tax documents only. Files will be available for 3 years and then will be deleted. If you want to have them longer than the required 3 years, please save them to your own device.
- Your eligibility for the earned income credit, education credit and child credit will be determined by answers to a series of questions that will be documented during the interview process or questions on the Tax Organizer.
- If you have a business or farm, you have issued all the 1099's required by the IRS.
- Business owners have been advised that you must keep adequate records for local and out-of-town travel, and business gifts. You are aware that you are not entitled to deductions for these expenses unless the proper records have been kept.
- If you are claiming deductions for listed property such as automobiles, you are responsible for maintaining adequate records concerning the business percentage claimed.
- You will receive a copy of the tax return for your records. Before signing the return, you will have reviewed it to verify that the information contained in it is true and accurate.
- You will provide me, in a timely manner, with a copy of all correspondence received by the IRS, the Colorado Department of Revenue, or any other state agency concerning this return. If the audit is due to an error on my part, I am not responsible to pay any taxes owed, but will cover any penalties and interest assessed.
- Payment is expected when tax returns are e-filed.

Sincerely,



Diane R. Woods

Acknowledged:

Date

Date