Debra W. Johnson, CPA, PC

Engagement Letter and Tax Deduction Finder

Please note:

- Engagement letter must be signed prior to tax preparation.
- We must receive your **complete** information by March 31, 2018 to guarantee completion of your return by April 15, 2018.
- Please do not send original documents. Please scan or copy documents to send to our office.
- The tax deduction finder can also be downloaded from our website.
- Questions on page 1 and 2 are required.

Dear Client:

We are looking forward to working with you this year in preparing your taxes! To minimize the possibility of a misunderstanding between us, we are setting forth pertinent information about the services we will perform for you.

Please note that **we must receive a signed copy of this engagement letter before we are able to work on your tax return.** Also attached is a tax deduction finder that we have specially created to help you in organizing your tax information. Please return these along with supporting documents in the enclosed envelope, or via email, portal or fax. Keep a copy for your records.

We will prepare your federal and state individual income tax returns from information you furnish us. We will not audit or otherwise verify the data you submit, although we may ask you to clarify some of the information.

If we have not received **ALL** of your information by March 31, 2018, we will be happy to file an extension for you. Filing an extension is a complementary service and will only be provided upon request. If an extension is filed, we must receive **ALL** tax information by September 30, 2018 to complete your return by the deadline. **While an extension provides additional time to file your return, it does NOT provide an extension of time to pay taxes** that may be due on your tax return. Information received after March 31, 2018 will be subject to additional fees if the return is expected to be completed by the April 15, 2018 deadline.

If you are anticipating a refund, please DO NOT spend the money before it actually arrives in your account!

It is your responsibility to maintain in your records the supporting documentation necessary to support your tax returns. If you have any questions as to the type of records required, please ask us for advice in that regard.

We are responsible for preparing only the returns referred to in this letter. Our fee does not include responding to inquiries from the IRS or state received after the return is filed, or examination by taxing authorities. However, we are available to represent you should such a need develop and this would be covered under a separate engagement letter.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on your behalf, the alternative you select. If the IRS should contest the position taken, disallow doubtful deductions or inadequately supported documentation there may be an assessment of additional tax, plus interest and penalties. We assume no liability for any such additional penalties or assessments. Federal law has extended the attorney-client privilege to some, but not all, communications between a client and the client's CPA. Communications solely concerning the preparation of a tax return will not be privileged.

In order to protect sensitive data, client copies of tax returns will be delivered via a secure client portal which will allow you to download an electronic copy of your tax return and print an unlimited number of paper copies at any time. **Portal access is available at no extra charge.** A paper copy may be requested. We will not be liable for any lost or stolen mail.

You may also pick up a copy of your tax return from our office. Photo ID will be required. Please keep your paper copy in a safe location, as replacement paper copies are $50.00 per year.

We strive to get you all the deductions to which you are entitled. Since your return is unique to your particular circumstances, we cannot guarantee the outcome or whether you will view it as good or bad. However, this does not relieve you of the obligation to pay our fees.

Payment for service is due when rendered and interim billings may be submitted as work progresses and expenses are incurred.

If the above fairly sets forth your understanding, please sign a copy of this letter and return it to us. We are pleased to have you as a client and look forward to a long and mutually satisfying professional relationship.

Sincerely,

Debra W. Johnson, EA, CPA, PFS

Taxpayer Signature_______________________________

Print ____________________________Date__________

Spouse Signature_________________________________

Print ____________________________Date___________

In this document:

The following questions are mandatory

Bank info (Required for Direct Deposit)	Please deposit any refund ☐
Bank	
Routing #	Account #
Account Type — Checking ☐ Savings ☐	Joint Account ☐
PLEASE PROVIDE VOIDED CHECK	
Taxpayer Drivers License Info	Current clients-Not required if we have a copy on file. If unsure please call to verify.
Name:	
Number:	
State:	
Expiration:	Issue Date:
Taxpayer 2 Drivers License Info	Current clients-Not required if we have a copy on file. If unsure please call to verify.
Name:	
Number:	
State:	
Expiration:	Issue Date:

Required Information	**Yes**	**NO**
Have you had any tax credits that were disallowed or reduced in a previous year? This includes the earned income credit, Child Tax Credit and American Opportunity Tax Credit.	☐	☐
Can you substantiate your right to claim any dependents on your return?	☐	☐
Can you verify that any dependents being claimed for the child tax credit and earned income credits lived with you for over half the year?	☐	☐
Is there anyone else who could claim your dependent as an exemption on their tax return?	☐	☐
Did you report all self-employment income and the related expenses to us?	☐	☐
Do you have records to support all of your self-employment income and expense?	☐	☐
Have you provided us with all 1098-Ts and receipts for qualified tuition and related expenses in order to claim the American Opportunity Tax Credit?	☐	☐

Taxpayer 1 ________________________________

1. Did you have Health Insurance coverage in 2017? Copy of insurance card required-Do not send original	Yes ☐	No ☐
2. Were you covered the entire year? If no what months were you covered? Jan ☐ Feb ☐ Mar ☐ Apr ☐ May ☐ Jun ☐ Jul ☐ Aug ☐ Sep ☐ Oct ☐ Nov ☐ Dec ☐	Yes ☐	No ☐
3. Did you get your coverage through the healthcare.gov marketplace?	Yes ☐	No ☐
4. Were you covered under an employer sponsored insurance plan?	Yes ☐	No ☐
5. Are you considered an exempt individual for the purposes of the individual mandated/ACA. If yes, certificate number ____________________	Yes ☐ Provide Certificate	No ☐

Taxpayer 2 ________________________________

1. Did you have Health Insurance coverage in 2017? Copy of insurance card required-Do not send original	Yes ☐	No ☐
2. Were you covered the entire year? If no what months were you covered? Jan ☐ Feb ☐ Mar ☐ Apr ☐ May ☐ Jun ☐ Jul ☐ Aug ☐ Sep ☐ Oct ☐ Nov ☐ Dec ☐	Yes ☐	No ☐
3. Did you get your coverage through the healthcare.gov marketplace?	Yes ☐	No ☐
4. Were you covered under an employer sponsored insurance plan?	Yes ☐	No ☐
5. Are you considered an exempt individual for the purposes of the individual mandated/ACA. If yes, certificate number ____________________	Yes ☐ Provide Certificate	No ☐

The following forms are required: 1. Form 1095 A, B and C (If received) 2. Exemption Certificate (If exempt)

TAXPAYER INFORMATION

1 TAXPAYER INFORMATION

Current clients Complete name and contact info only **unless your information has changed.**

Filer Name		
Social Security No.	Birth Date / /	
Occupation	☐ √ if Blind	
Contact Phone		
E-mail Address		
Spouse Name	Date of Marriage / /	
Social Security No.	Birth Date / /	
Occupation	☐ √ if Blind	
Contact Phone		
E-mail Address		
Street	Apt #	
City	State	Zip

2 ESTIMATED TAXES

Not W 2 Withholding

Payment & Due Date	Date Paid	Federal	State
Applied From 2016 Refund		$	$
First Quarter		$	$
Second Quarter		$	$
Third Quarter		$	$
Fourth Quarter		$	$

3 SPECIAL INFO Applies to Taxpayer or Spouse

I have signature authority or am a co-owner on a foreign bank account √ **Non disclosure if required could mean a $10,000 penalty**	☐
I received an inheritance from a foreign country √	☐
I have a foreign bank account or interest in a foreign financial asset √	☐
I received a distribution from, or was the grantor of a foreign trust √	☐
During 2017 I bought, sold, or gifted real estate √	☐
I made a gift of money/property to any individual in excess of $14,000 √	☐
I employ household workers √	☐
I had an early withdrawal penalty from a CD √	☐

4 DEPENDENTS

First Name	Last Name	Social Security #	Relation	Date of Birth	Income	Child or Dependent Care Expenses	Provider's Name	Provider 's SSN or Employer ID#
					$	$		
					$	$		
					$	$		

5 INCOME & ADJUSTMENTS

PLEASE PROVIDE ALL DOCUMENTATION	TAXPAYER	SPOUSE
W-2 Wages	PROVIDE W-2	PROVIDE W-2
Partnership, Trust or S-Corporation K-1's	PROVIDE K-1	PROVIDE K-1
Were you the beneficiary of an inheritance?	☐ Yes	☐ Yes
State Tax Refund (1099-G)	Provide 1099	Provide 1099
Social Security or RR (SSA-1099/RRV-1099)	Provide 1099	Provide 1099
Alimony Received	$	$
Alimony Paid To: ______________________ SSN: ____________________________	Amount paid $	Amount paid $
Tips not included in W-2	$	$
Unemployment Compensation (1099-G)	Provide 1099	Provide 1099
Gambling Winnings (W-2G)	Provide W-2	Provide W-2
Bartering Income	$	$
Interest/Dividend Income (1099-INT/1099-DIV)	Provide 1099	Provide 1099

Did you have credit card debt forgiven (1099-C)	☐ Yes
Did you abandon your home (1099-A, 1099-C)	☐ Yes
Was your home foreclosed on or sold in a short sale (1099-A 1099-C)	☐ Yes

6 FOREIGN FINANCIAL ACCOUNTS

Name of Institution	Country	Balance in Taxpayers Account 12/31/17	Balance in Spouse's Account 12/31/17
		$	$
		$	$

7 IRA & SEP PLANS

	TAXPAYER	SPOUSE
Do you have a retirement plan with your Employer	☐ Yes	☐ Yes
Did you convert a traditional IRA into a Roth IRA	☐ Yes	☐ Yes
Traditional IRA, SIMPLE & SEP Plans		
Contributions-Form 5498 (Available after May 15th)	$	$
Withdrawals (Provide 1099-R)		
Rollovers (Provide 1099-R)		
Roth IRA		
Contributions-Form 5498	$	$
Withdrawals (Provide1099-R)		

DEDUCTIONS

1 MEDICAL EXPENSES

Do not list expenses reimbursed by insurance or HSA. Medical expenses deductible only if they exceed 10% of your adj. gross income.

Insurance Premiums (Medical, Dental, Vision & Hospital) After tax only-No Self Employed	$
Medicare Insurance Premiums (Info required if no Form 1099 SSA)	$
Long Term Care Insurance	$
Doctors, Dentist	$
Supplies/Equipment (Hearing aids including batteries, C-pap, etc.)	$
Home Modifications (Provide listing of costs incurred on a separate sheet)	$
Hospitals, labs, x-ray	$
Medical Miles	

2 TAXES PAID

Provide documentation

Real Estate-Primary Residence	$
Real Estate-2nd Home (not an investment or rental property)	$
Real Estate-Investment Property (only if property is not rented currently)	$
Ad Valorem	Provide receipt
City\County\Local Taxes	$
State Income Taxes paid for prior years	$

3 MORTGAGE INTEREST

Home Mortgage Interest	Provide 1098
Home Mortgage Interest 2nd Home (not an investment or rental property)	Provide 1098
Home Equity Line of Credit (Secured by residence)	Provide 1098
Time Share Mortgage Interest	Provide 1098
Mortgage Interest paid to Individual Name: SS#:	$

4 CASH CONTRIBUTIONS

Must have receipts for all cash & single contributions over $250.00

Name of Organization	Taxpayer	Spouse
	$	$
	$	$
Mileage for Charitable Works		

5 NON CASH CONTRIBUTIONS

Clothing, household, etc.

Date Donated	Date Originally Purchased	Original Purchase Price	Fair Market Value If nothing is entered value is considered zero	Organization Donation Made To	Items If needed please attach separate list	**Condition** Excellent Good New
		$	$			
		$	$			
		$	$			

6 EMPLOYEE BUSINESS EXPENSES

Unreimbursed Employee Business Expenses	Taxpayer	Spouse
Office Supplies	$	$
Transportation & Lodging	$	$
Employment seeking and Resume Fees	$	$
Entertainment and Meals	$	$
Equipment	$	$
Insurance	$	$
License and Fees	$	$
Total Cell Phone $____________ Percentage used for Business _________		
Tools	$	$
Supplies	$	$
Uniform-Cost and Cleaning	$	$
Vehicle Expense	See Page 4	See Page 4
Union and Professional Dues	$	$
Total Internet $____________ Percentage used for Business __________		
Other:	$	$

7 OFFICE IN HOME

Business Name-REQUIRED	
Second Telephone Line	$
Total utilities paid	$
Total rent paid	$
Hazard or Renters Insurance	$
Pest Control	$
Other:	$
Improvements	$
Homeowners/Condo Association Fees	$
Special City/County Assessments	$
Square footage area used exclusively for business	
Total heated square footage of home	

8 MOVING EXPENSES

Related to Employment

Date of move	Number of miles moved	Amount paid for moving household goods only	Moving Expenses Reimbursed by Employer
		$	$

DEDUCTIONS/MISCELLANEOUS

9 MISCELLANEOUS

Investment Advisory Fees	$
Safe Deposit Box Fees	$
Legal & Accounting (Investment or income related, tax audit, etc.)	$
Attorneys Fees (To protect or produce taxable income only)	$
Retirement Plan fees paid by you (Not deducted from the plan)	$
Tax Preparation, Tax Projections & Planning	$
Gambling Losses	$
Gambling Income (Attach W-2G from Casino)	$
Student loan interest	$
Did you receive any prizes/awards not reported on W-2 Description:_______________________________________	Value $
Did you adopt a child in 2017-Attach all documents	☐ Yes

10 EDUCATION EXPENSES

Student 1___________________________ Student 2___________________________	Student ___________	Student _______
Is a fulltime student	Yes ☐ No ☐	Yes ☐ No ☐
Tuition, Fees, Books & Supplies (For 1st 4 Years of College)	$	$
Tuition, Books, Supplies (Non degree courses)	$	$
529 Plan Contributions Name of State Plan___________________	$	$
529 Plan Contributions Name of State Plan___________________	$	$

11 CASUALTY LOSS

Attach Police Report, Insurance Claim Forms, etc.

Was the loss in a presidentially declared disaster area	☐ Yes
Was the loss from theft or embezzlement	☐ Yes

Casualty Description			
Date of Casualty		Insurance reimbursement	
Fair market Value before casualty	$	Original Cost/Basis	$
Fair Market Value after casualty	$	Date Acquired	

12 BUSINESS VEHICLE EXPENSES

Not for Self Employed. Employees only in this section.

	Taxpayer	Spouse
Enter vehicle make, model and year	___________ ___________	___________ ___________
Amount of reimbursement provided by employer	$	$
Is the vehicle available for personal use	☐ Yes	☐ Yes
Have you kept a log recording your mileage	☐ Yes	☐ Yes
Is reimbursement included on W-2	☐ Yes	☐ Yes
Do you have another vehicle available for personal use	☐ Yes	☐ Yes
Parking & Tolls		
Total miles driven for the year		
Total commuting miles for the year		
Business Miles-For employer		
Business Miles-Between 1st & 2nd job		
Business Miles-From job to school		
Business Miles-Temporary job sites		
Vehicle operating expenses-If using actual expenses		
Total Fuel	$	$
Total Maintenance, tires, batteries and repairs	$	$
Total Insurance	$	$
Vehicle License- (Special licenses such as Class D. Include expense for medical exams.)	$	$
Total Lease Payments	$	$
Total Loan Interest	$	$
Total Taxes	$	$
Total Car Wash	$	$

13 BUSINESS TRAVEL

Not for Self Employed. Employees only in this section.

	Taxpayer	Spouse
Airfare	$	$
Auto Rental	$	$
Meals	$	$
Lodging	$	$
Laundry	$	$
Other:	$	$

14 DONATION TO QUALIFIED RURAL HOSPITAL ORGANIZATION

For tax years 2017-2019, Georgia residents can receive a state credit up to 90 percent for donations made to qualified rural hospital organizations in the state of Georgia under the law passed in Senate Bill 258. Please contact our office for additional information if you are interested in this wonderful tax credit program opportunity.

Did you make any contributions to qualified rural hospital organizations under the Georgia Heart Hospital Program?	☐ Yes

SELF EMPLOYED

1 SELF EMPLOYED BUSINESS

Business Name:	
Address:	
Business Income	$
Merchant Fees	$
Customer Refunds	$
Customer checks returned by bank	$
Advertising	$
Business Professional Dues/Membership Fees	$
Commissions, Management & Other Fees	$
Liability & Business Property Insurance	$
Interest Paid-Credit Cards **Dedicated Business Credit Card**	$
Total Internet $____________ Percentage used for Business _________	
Legal, Accounting, Payroll Fees	$
Meal & Entertainment for business #	$
Bank Service Charges	$
Gifts to customers (IRS limits gifts to $25 per customer)	$
Health Insurance premiums (Not paid by employer)	$
Interest Paid Mortgage-business building only	$
Land Line Telephone (Second line only for home offices)	$
Total Cell Phone $____________ Percentage used for Business _________	
Office Expenses	$
Payments to Subcontractors	$
Rental-Business Property/Real Estate	$
Repairs & Maintenance-(Business Equipment)	$
Taxes & Licenses-Secretary of State	$
Wages paid to employees-Form W-2 **(Please Provide)**	$
Supplies (Hardware, cleaning, saw blades, etc.)	$
Postage & Shipping	$
Rental-Vehicle, Equipment, Machinery	$
Seminars, Training	$
Business Building Utilities-(Do not include if home office)	$
HOME OFFICE (Page 3)	

Log required: Date, name of customer and business purpose.

3 BUSINESS VEHICLE EXPENSES

	Taxpayer	Spouse
Enter vehicle make, model and year	____________ ____________	____________ ____________
Amount of reimbursement provided by employer	$	$
Is the vehicle available for personal use	☐ Yes	☐ Yes
Have you kept a log recording your mileage	☐ Yes	☐ Yes
Is reimbursement included on W-2	☐ Yes	☐ Yes
Do you have another vehicle available for personal use	☐ Yes	☐ Yes
Parking & Tolls		
Total miles driven for the year		
Total commuting miles for the year		
Business Miles-For employer		
Business Miles-Between 1st & 2nd job		
Business Miles-From job to school		
Business Miles-Temporary job sites		
Vehicle operating expenses-If using actual expenses		
Fuel	$	$
Total Maintenance, tires, batteries and repairs	$	$
Insurance	$	$
Vehicle License- (Special licenses such as Class D. Include expense for medical exams.)	$	$
Total Lease Payments	$	$
Total Loan Interest	$	$
Total Taxes	$	$
Total Car Wash	$	$

4 BUSINESS TRAVEL

	Taxpayer	Spouse
Airfare	$	$
Auto Rental	$	$
Meals-(Away from home overnight)	$	$
Lodging	$	$
Laundry-(Away from home overnight)	$	$
Tips, Other:	$	$

2 ASSETS PURCHASED SOLD OR DISPOSED IN 2017*

Description of Asset	Purchase Date	Cost	Sale Date	Sales Price	Business # (Above)
		$		$	
		$		$	
		$		$	
		$		$	

*If Needed attach a separate statement with itemized list.

REAL ESTATE RENTAL

1 REAL ESTATE RENTAL INCOME/EXPENSES

Address (of property):	
Rental Income	$
Refunds and Returned Checks	$
Homeowners and Hazard Insurance	$
Legal & Professional Fees: (Including evictions)	$
Management Fees	$
Mortgage Interest paid to Banks: (Attach Form 1098)	$
Other Interest: (Seller financing, dedicated credit cards, etc.)	$
Commissions	$
Hardware, cleaning, small tools (Under $100)	$
Property Tax	$
Electricity	$
Water	$
Gas	$
Advertising	$
Bank Charges	$
Total Cell Phone $____________ Percentage used for property _________	
Pest Control	$
Credit Checks on renters	$
Total Internet $____________ Percentage used for property _________	
Postage, Office Supplies	$
HOA or Condo Fees	$
Flooring (Repairs)	$
Carpentry (Repairs)	$
Electrical (Repairs)	$
Heating/AC (Repairs)	$
Painting (Repairs)	$
Plumbing (Repairs)	$
Roofing (Repairs)	$
Flooring, Kitchen, Bathroom Repairs	$
Cleaning & Maintenance	$
Lawn/Yard Service	$

3 REAL ESTATE RENTAL VEHICLE EXPENSES

	Taxpayer	Spouse
Enter vehicle make, model and year		
Is the vehicle available for personal use	☐ Yes	☐ Yes
Have you kept a log recording your mileage	☐ Yes	☐ Yes
Do you have another vehicle available for personal use	☐ Yes	☐ Yes
Parking & Tolls		
Total miles driven for the year		
Total commuting miles for the year		
Total miles rental related-(Include trips to pick up checks, trips to hardware store, trips to meet contractors on job, trips to deposit checks, etc.)		
Vehicle operating expenses-If using actual expenses		
Total Fuel	$	$
Total Maintenance, tires, batteries and repairs	$	$
Insurance	$	$
Vehicle License	$	$
Lease Payments	$	$
Loan Interest	$	$
Taxes	$	$
Car Wash	$	$

4 REAL ESTATE RENTAL TRAVEL

	Taxpayer	Spouse
Airfare	$	$
Auto Rental	$	$
Meals	$	$
Lodging	$	$
Laundry	$	$
Other:	$	$

2 ASSETS PURCHASED SOLD OR DISPOSED

Description of Asset	Purchase Date	Cost	Sale Date	Sales Price	Quantity
		$		$	
		$		$	

SIGNATURE(S)

Under penalty of perjury, I declare the facts and figures in this tax deduction finder to be true and correct to the best of my knowledge and belief.

Taxpayer________________________________ Date _________ Spouse________________________________ Date ________