

**Malcolm Ponder's**  
**WEST MARIN TAX SERVICE**  
**Malcolm Ponder, MBA, ATP, ABA**  
**Letter of Engagement**

**Tax Year 20**

This letter will confirm our understanding of the terms and objectives of our engagement and the nature and limitation of the services we will provide.

Our fees for these services will be effective for work performed beginning with the date of this letter and will be for time and charges as indicated below.

**RESPONSIBILITY OF CLIENT**

This engagement is subject to the client furnishing adequate documentation on a timely basis as requested by this office. Returns are to be prepared on the basis of information supplied by the client, with no independent verification by us. You also agree to inform us of any prior correspondence or adjustments made by any tax agency over the past four years prior to our preparing of the return. You also agree to inform this office of any subsequent correspondence or adjustments promptly. It is the responsibility of the client to call Malcolm Ponder to request any tax planning, consulting or special services. Malcolm Ponder will not be responsible for any client assumptions.

**LIABILITY**

We limit our liability to the amount billed for the tax return or the amount of the penalty, whichever is less. Credit will be applied on the following year's fee. Interest is not part of this liability as you have had the use of the money.

**TERMS**

Prior to commencing work, we may require a retainer. In addition to any prepaid retainers, our fees are due and payable upon receipt of the invoice or upon receipt of our completed work whichever occurs first. We reserve the right to require a deposit in advance for any and all work that we are assigned. If for any reason a fee is not paid on time we will charge a 1 1/2% per month service charge on any balance not paid within 30 days, and a \$5.00 per month handling charge. Accounts past due 90 days will be subject to collection and will be charged reasonable legal fees, collection costs and collection agency fees (usually 40% of bill). Any returned checks will be subject to a \$35.00 returned check processing fee. We reserve the right to discontinue work on your account with a 1 day's notice for non-payment of fees, or for your not supplying us with requested information on a timely basis. This engagement also may be discontinued in part or whole by either party upon written notice. Your signature on this engagement letter indicates acceptance of these terms. You are responsible for determining filing requirements outside the scope of this LOE and for the preparation of all returns not included in this LOE. We would be pleased to discuss this letter with you at any time.

**WORK PAPER RETENTION POLICY**

Our firm policy is to retain all current client work papers for four years. However, we retain each former client's work papers for only one year after they no longer do business with the firm. You may need to retain your documents for a longer period. Keep photocopies of all data you send us.

**FTC PRIVACY RULE**

As your Tax Preparer, we collect information provided by you from your tax organizer, worksheets, documents and discussions. We also collect information that we develop as part of the engagement.

As your Tax Preparer, we must keep all information about our engagement confidential so we will not disclose any information about you unless we have your approval or as required/permitted by law. This applies even if you are no longer a client. We are committed to safekeeping of your confidential information and we maintain physical, electronic, and procedural safeguards to protect your information.

## **ARBITRATION**

Client and Tax Preparer both agree that any dispute over fees charged by West Marin Tax Service to the client will be submitted for resolution by arbitration in accordance with the rule of the American Arbitration Association. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury, and instead we are accepting the use of arbitration for resolution. If the disputed amount is less than \$5,000, such dispute will be resolved in small claims court.

## **INCOME TAX PREPARATION**

The preparation of all federal and state tax returns all have a minimum fee. The fees will increase depending on additional schedules, needed research time, and added complexities. My fee is based on not running into any unexpected problems, and does not include possible audit work. You authorize us to discuss your tax return with the IRS and the Franchise Tax Board.

If, in my preparation of your tax return(s) it is found by the IRS that I have taken a position on your behalf that the IRS subsequently finds to be an "undisclosed position on your tax return" then any penalties assessed against me will ultimately be your financial responsibility. (Reference IRC §6694 as Amended and Notice 2008-13.)

We will resolve questions involving application of tax rules in your favor if there is reasonable justification for it. You agree to review your returns in detail before signing them. If the IRS should later contest the position taken, there may be an assessment of additional tax, interest and penalties. We are not responsible for such assessments. If we receive all tax data necessary to prepare your tax returns by March 10th, we project we can complete your returns by April 15<sup>th</sup>. **If we do not receive your data by March 10th, we will prepare an extension request for you. However, all estimated tax must be remitted with the extension request to avoid penalties and interest.**

## **CLIENT STATEMENT**

All information given to Malcolm Ponder is correct, to the best of my knowledge, and can be documented. I have also included any income from trading or bartering of services between any other person and myself. Nothing has been added or deleted which would understate income, overstates deductions or credits, or in any way would intentionally understate the tax.

If claiming employee business expenses or self employment income, I can provide documentation for all deductions claimed for automobile and other expenses and understand the need to maintain a log or journal for these expenses. If claiming charitable contribution credit I have cancelled checks to verify these deductions, as required by IRS rules.

**In lieu of signing California Form 8454, E-File Opt-Out Record I am using this Letter of Engagement to indicate that I elect not to e-file my CA Tax Return.**

I agree to review my tax returns prior to submitting them to the federal and state governments. I will verify that all income and expenses have been correctly stated. If any information is not true and accurate, I will notify Malcolm Ponder to have the tax returns corrected.

Filing of the tax returns prepared under this *Letter of Engagement* constitutes acceptance of the *CLIENT STATEMENT*. All other statements in this *Letter of Engagement* are accepted by signing below. (Revised: September 2017)

## **ACKNOWLEDGED:**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
**Print Your Name & Email Address**

\_\_\_\_\_  
Client Street Address, City, State, Zip



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