



H & R PYE'S

Tax & Accounting Service

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Members of
National Association
of Enrolled Agents
Maine Association of
Professional Accountants

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Ronald A. Pye, EA
1941-2014

Dear Client:

You have retained H & R Pye's Tax Service to prepare your Federal and State income tax returns for 2014. These returns will be prepared based on the information you provide us. In preparing your tax return we are not required to verify your deductions. This is your responsibility. We will assist and guide you in gathering the necessary information, by furnishing you with questionnaires and worksheets, and by answering questions. Since you have the final responsibility for the information on the income tax returns, we highly recommend that you review the tax returns carefully before signing and filing them.

We will provide you with a copy of the tax returns prepared and will return all of your source documentation. It is your responsibility to maintain your records that backup your tax returns for at least 7 years. We recommend that you keep your tax returns, W-2s, and 1099s **forever**. We will do our best to reduce your taxes based on the information you provided and by applying the tax laws to your situation.

You agree to provide H & R Pye's Tax Service with all of the information we need in a timely manner and answer all of our questions completely and honestly. When claiming deductions for business travel, auto and entertainment you need to have documentation that shows (in addition to the actual cost) the who, what, where and when. For auto you need a daily record of your business miles. If you have had any household employees (nanny, housekeeper, cleaner, etc.) that you have paid \$1900 or more, then you have reporting requirements to the IRS and you agree to provide us with the name, address, social security number, and amount paid. If you have paid subcontractors for your business, rental property, or home (if you have business use of the home) \$600 or more, you are required to issue a 1099 Misc. and provide them to the subcontractor as well as the IRS. Anything you tell us during the preparation of your tax return is confidential, however it is not protected by any accountant-client privilege. We are not attorneys and do not give legal advice, so if you need legal advice we will refer you to an attorney.

Fees for our services will be based on a "forms used" rate and hourly rate of \$150.00, if applicable. Additionally we will be entitled to reimbursement for out of pocket expenses, which may include long distance phone calls, extra copy costs, extra computer work and any tax research work for unusual tax questions if needed. **Our fees are due and payable when the invoice is presented.** If for any reason we incur any collection costs regarding your fee, those costs will be added to the final amount to be collected. If you receive an incorrect refund check or an unexpected tax bill from a taxing agency please call our office. Our fee includes reasonable time to correct these problems. In addition we will provide 15 minutes of free consult time per year, whether in our office or on the phone; after the 15 minutes you will be billed at an hourly rate of \$150 for consulting time.

Your returns are subject to review by taxing authorities. Should an examination occur we will be available to represent you at an additional fee. If a question arises interpreting tax law, and a conflict exists between the tax authorities interpretation of the law and other supportable positions, we will use our professional judgment in resolving these issues.

You will contact us immediately if you discover additional information that will lead to a change in your return, or if you receive any letters from the IRS or state taxing authorities. If you do not contact us as soon as you get a notice it could cost you more money and/or your right to appeal.

By signing this letter you give us authority to access your prior years' returns, either in our system, or that you provide to us, in order to effectively prepare your return and assist you in your tax planning needs.

We wish to express our appreciation for the opportunity to work with you and we are always available to discuss your tax return or clarify any part of this letter with you.

Sincerely,

Holly Pye

Holly Pye

Discussed, Understood and Accepted By,

Client Signature

Date

"Don't pass the Pye's by or your taxes may be too high!"