

## 2023 Individual Income Tax Return Preparation Engagement Letter

This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. The IRS imposes penalties on taxpayers and tax return preparers for failure to observe due care in preparing income tax returns. In order to ensure an understanding of our mutual responsibilities, we ask all clients to confirm the following arrangements.

We will prepare your 2023 U.S. Individual and/or Business Income Tax Return with all necessary supporting Forms and Schedules from the information provided by you. **It is your responsibility to provide all the information required for the preparation of a complete and accurate income tax return.** You represent that the information you supply is accurate and complete to the best of your knowledge. Furthermore, any expenses claimed for meals, entertainment, travel, business gifts, dues and membership, vehicle usage, and/or charitable contributions are supported by records as required by law. You have also disclosed all known tax liabilities. **You are confirming that you have not withheld any information that may affect your tax situation or tax filing. If you are unsure about an issue, we need to discuss it before you sign your income tax return.**

IRS guidelines require us to electronically file (e-file) all income tax returns. Unless you feel e-filing your income tax return will create undue hardship, your income tax return will be filed electronically. Prior to you signing the E-file Authorization Form 8879, we will provide a complete copy of your income tax return for review.

We do not audit or otherwise verify the data you submit, although it may be necessary to ask for clarification of some of the information. **You have the final responsibility for your income tax return and, therefore, you should review your return carefully.**

**Due dates for filing 2023 calendar year tax returns are as follows:**

- April 15, 2024 - Due date for Individual Tax Returns
- All documents must be received by our office by March 15, 2024 or an extension will be required**

Payment for our services are due when the work is complete, our services are dis-engaged, or as otherwise agreed. Our fee for tax return preparation does not include audit representation or other tax related issues, including the requirement to communicate additional information regarding your return to the taxing agencies. Should your return be selected for audit or evaluation by the IRS or a State Tax agency, we can provide representation for an additional fee. If your return is subject to interest and/or penalties due to an error made by our office we will reimburse those costs and work to resolve the issue without any fee. We are not responsible for errors due to missing or incorrect information provided to us, or errors beyond our direct control.

Unless required by law, we will not disclose any of your confidential information without prior written authorization from you.

We want to express our appreciation for this opportunity to work with you. If the foregoing fairly sets forth your understanding, please sign below.

Sincerely,



Client Name (Print)

Signature

Date

Client Name-Spouse (Print)

Spouse Signature

Date

## **Annual Privacy Disclosure Statement - Third-Party Disclosures**

Dear Client:

Under the Gramm-Leach-Bliley Act of 1999, financial institutions must provide their customers with a "clear and conspicuous" notice about their privacy policies and practices; the conditions under which they disclose nonpublic personal information about consumers to nonaffiliated third parties; and how consumers can prevent the disclosure of their information. You already may have received such notices from the banks and brokerage firms with which you do business.

Following the passage of this legislation, the Federal Trade Commission (FTC) issued detailed rules on these privacy notices, including to whom they should apply. In those rules, the FTC defined "financial institutions" to include all those who provide "financial or investment advisory services." In turn, the FTC rules chose to broadly interpret "financial or investment advisory activities" to cover "tax planning and tax preparation."

In compliance with the FTC rules, printed below is our firm's current Privacy Disclosure Statement. Be assured that this firm has always considered our professional relationship with you to be one requiring the utmost trust and confidence. Please do not hesitate to call us if you have any questions about this notice.

### **PRIVACY DISCLOSURE**

Churchwell Tax & Business Services does not disclose any nonpublic personal information about our clients or former clients, without their permission, to anyone except as absolutely required by law or as needed by our employees to provide services or products to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

If you have any concerns about the disclosure of your personal information to third parties, please contact us by mail or telephone (530) 885-9705.

Sincerely yours,

Robert Churchwell

To report Business, Rental, or Farm income, an organizer can be obtained from our website at [www.churchwelltax.com/resources](http://www.churchwelltax.com/resources)

## 1. Personal Information

A. Taxpayer
First & Last Name
Social Security Number
Date of Birth
Occupation
Cell Phone
E-mail
Legally Blind? <input type="checkbox"/> Yes <input type="checkbox"/> No      Legally Disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No
Covered by Health Insurance All Year? <input type="checkbox"/> Yes* <input type="checkbox"/> No**
<b>Due to new IRS identity theft procedures, please provide us a copy of your current drivers license. You may provide a clear photocopy, or email a legible photo of your drivers license to: <a href="mailto:tax@churchwelltax.com">tax@churchwelltax.com</a>.</b>
B. Spouse
First & Last Name
Social Security Number
Date of Birth
Occupation
Cell Phone
E-mail
Legally Blind? <input type="checkbox"/> Yes <input type="checkbox"/> No      Legally Disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No
Covered by Health Insurance All Year? <input type="checkbox"/> Yes* <input type="checkbox"/> No**
<b>Due to new IRS identity theft procedures, please provide us a copy of your current drivers license. You may provide a clear photocopy, or email a legible photo of your drivers license to: <a href="mailto:tax@churchwelltax.com">tax@churchwelltax.com</a>.</b>
C. Primary Contact
Who should we contact with questions about your tax return information?
<input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse <input type="checkbox"/> 3rd Party Representative
Best Contact Phone Number
Best Contact Email Address
<b>For 3rd Party Representatives:</b>
Representative Name
Relationship to Taxpayer
3rd party representatives may be required to provide a Power of Attorney or other documentation authorizing them to represent the taxpayer with our office and the tax agencies.

D. Marital Status
<input type="checkbox"/> Married : <input type="checkbox"/> File Jointly <input type="checkbox"/> File Separately (MFS)*
*If MFS: Number of Months lived with spouse during year: _____
<input type="checkbox"/> Single
<input type="checkbox"/> Recent Widow(er)   Date of Spouse's Death: _____
E. Primary (Mailing) Address
Street
City
State/Zip _____ / _____
Home Phone
<b>If the above address is not your physical address, such as a PO Box, please provide the city and state of your physical address:</b>
City/State _____ / _____
Residence Type: <input type="checkbox"/> Own <input type="checkbox"/> Rent <input type="checkbox"/> N/A
<b>If you moved between States last year, on a separate sheet please provide information for all States you have lived during the year, including location, dates you lived there, and reason for moving to/from that location.</b>
F. Earned Income Tax Credit
Have you previously qualified for the EITC? <input type="checkbox"/> Yes <input type="checkbox"/> No
Notified by the IRS that you are ineligible? <input type="checkbox"/> Yes <input type="checkbox"/> No
Any prior EITC claim disallowed by IRS? <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Please Note: To comply with new IRS rules for tax preparers, we may require additional documents to substantiate your EITC eligibility. Our office will contact you if anything else is required.</b>
G. Direct Deposit/Payment
Direct Deposit Refund? <input type="checkbox"/> Yes <input type="checkbox"/> No
Automatic Withdrawal Balance Due? <input type="checkbox"/> Yes <input type="checkbox"/> No
Bank Account Info Same as Last Year? <input type="checkbox"/> Yes <input type="checkbox"/> No
Bank Name
Routing Number
Account Number
Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings

\*If insurance provided by Covered California, you must provide form 1095-A.

\*\*If partial year coverage please indicate months of coverage on a separate sheet.

## 2. Dependent Information

### A. Dependent 1

First & Last Name	
Relationship	Date of Birth
Social Security Number	
Covered by Health Insurance All Year?	<input type="checkbox"/> Yes* <input type="checkbox"/> No**
Disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No	Full Time Student? <input type="checkbox"/> Yes <input type="checkbox"/> No
Dependent's Gross Income	
Months lived with taxpayer during tax year	
Could this dependent be claimed by another taxpayer?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If subject to Joint Custody, are you the Custodial Parent?	<input type="checkbox"/> Yes <input type="checkbox"/> No

### B. Dependent 2

First & Last Name	
Relationship	Date of Birth
Social Security Number	
Covered by Health Insurance All Year?	<input type="checkbox"/> Yes* <input type="checkbox"/> No**
Disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No	Full Time Student? <input type="checkbox"/> Yes <input type="checkbox"/> No
Dependent's Gross Income	
Months lived with taxpayer during tax year	
Could this dependent be claimed by another taxpayer?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If subject to Joint Custody, are you the Custodial Parent?	<input type="checkbox"/> Yes <input type="checkbox"/> No

### C. Dependent 3

First & Last Name	
Relationship	Date of Birth
Social Security Number	
Covered by Health Insurance All Year?	<input type="checkbox"/> Yes* <input type="checkbox"/> No**
Disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No	Full Time Student? <input type="checkbox"/> Yes <input type="checkbox"/> No
Dependent's Gross Income	
Months lived with taxpayer during tax year	
Could this dependent be claimed by another taxpayer?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If subject to Joint Custody, are you the Custodial Parent?	<input type="checkbox"/> Yes <input type="checkbox"/> No

### D. Dependent 4

First & Last Name	
Relationship	Date of Birth
Social Security Number	
Covered by Health Insurance All Year?	<input type="checkbox"/> Yes* <input type="checkbox"/> No**
Disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No	Full Time Student? <input type="checkbox"/> Yes <input type="checkbox"/> No
Dependent's Gross Income	
Months lived with taxpayer during tax year	
Could this dependent be claimed by another taxpayer?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If subject to Joint Custody, are you the Custodial Parent?	<input type="checkbox"/> Yes <input type="checkbox"/> No

## 3. Preliminary Questionnaire

The checklist below could lead to helpful deductions. Please answer and provide supporting information.

- |                                            |                                           |                                                                                                                                                                                                                                                              |
|--------------------------------------------|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>YES</b></p> <input type="checkbox"/> | <p><b>NO</b></p> <input type="checkbox"/> | <p>Did you buy or sell any virtual currency, such as Bitcoin last year? If yes, please be sure to review Section 4-D.</p>                                                                                                                                    |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Do you owe California Use tax on items purchased out of state where sales tax was not paid, such as online purchases, or while traveling? If yes, please provide additional information on a separate sheet.</p>                                          |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you or your spouse pay any interest on a student loan? If yes, provide form 1098-E.</p>                                                                                                                                                               |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you contribute to a Qualified State Tuition Plan, other than California?</p>                                                                                                                                                                          |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did your college student receive educational benefits under a prepaid tuition program? If yes, provide 1099-Q form issued.</p>                                                                                                                            |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>If you are an educator, did you have unreimbursed work-related expenses? Amount: \$ _____</p>                                                                                                                                                             |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you pay alimony? If yes please provide Name, Social Security Number, Amount Paid, and Year divorce finalized on a separate sheet.</p>                                                                                                                 |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you have any adoption expenses? If yes, please list on a separate sheet.</p>                                                                                                                                                                          |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you give a gift of more than \$15,000 to one or more people? If yes, provide detailed explanation.</p>                                                                                                                                                |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Do you have a foreign bank account, trust, or business? If yes, please provide details.</p>                                                                                                                                                               |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Do you own more than \$50,000 in foreign financial assets? If yes, please provide details.</p>                                                                                                                                                            |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you receive gifts in excess of \$100,000 from a foreign person and/or in excess of \$16,111 from a foreign entity? If yes, please provide details.</p>                                                                                                |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Do you wish to designate \$3 of your taxes to the Presidential Campaign Fund (each spouse if MFJ)?</p>                                                                                                                                                    |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you purchase an alternative fuel motor or electric vehicle? If yes, please provide a copy of your sales contract.</p>                                                                                                                                 |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you make qualified energy improvements, such as energy efficient windows, doors, or metal roofs? If yes, please provide a copy of your purchase contract, including a breakdown between material and labor costs.</p>                                 |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you purchase alternative energy sources for your personal residence, such as solar water heaters, solar electric equipment, geothermal heat pumps or wind turbines and fuel cell plants? If yes, please provide a copy of your purchase contract.</p> |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you refinance a mortgage? If yes, please provide the refinance closing statement.</p>                                                                                                                                                                 |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you go through bankruptcy proceedings?</p>                                                                                                                                                                                                            |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you have a property foreclosed on, have a short sale, or relinquish a property in lieu of foreclosure?</p>                                                                                                                                            |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you have any debts canceled or forgiven? Include any form 1099-A and/or Form 1099C received.</p>                                                                                                                                                      |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>Did you or your spouse contribute or make withdrawals from a Health Savings Account (HSA)?</p>                                                                                                                                                            |
| <input type="checkbox"/>                   | <input type="checkbox"/>                  | <p>If answer to prior question was "Yes," were all HSA withdrawals used for eligible medical expenses? (Leave blank if does not apply)</p>                                                                                                                   |

## 4. Income

### A. W-2 Wages

Please provide W-2 forms (Required)

### B. Interest & Dividend Income

Please provide 1099-INT and 1099-DIV forms (Required)

### C. Investment Income/Loss

Please provide any related 1099 forms and brokerage statements showing **Dates Acquired, Purchase Price, Date Sold, and Sales Price.**

### D. Virtual Currency

Please provide any related 1099 forms and brokerage statements showing **Dates Acquired, Purchase Price, Date Sold, and Sales Price.**  
For virtual currency transactions not reported on a brokerage 1099 form, such as coins held in a private wallet, you will need to provide a completed form 8949. This can be generated through many 3rd party services.

### E. 1099-MISC Income

Please provide 1099-MISC forms. Complete a "Business Income" organizer if appropriate

### F. Other Income (Indicate Amount)

You                      Spouse

Partnership, Trust, or S-Corp (Provide K-1 copies)

State Tax Refund (Provide 1099-G)

Social Security (Provide SSA-1099)

Pension Income (Provide 1099-R)

Unemployment Compensation (Provide 1099-G)

Gambling Winnings (Provide W-2G)

Debt Forgiven (Provide 1099-C and/or 1099-A)

Alimony Received (Provide year divorce finalized)

Other (Specify):

## 5. IRA

	You	Spouse
Do you participate in an Employer Retirement Plan?	<input type="checkbox"/>	<input type="checkbox"/>
Did you convert a traditional IRA into a Roth IRA?	<input type="checkbox"/>	<input type="checkbox"/>

### A. Traditional IRA, Keogh & SEP Plans

Contributions (Provide 5498 form)

Withdrawals (Provide 1099s)\*

Rollovers

### B. Roth IRA

Contributions (Provide 5498 form)

Withdrawals (Provide 1099s)\*

Rollovers

\*Please indicate reason for withdrawal if under age 59½

## 6. Property Sold

Please provide the following information:

- 1099-S (if received)
- Closing Statement and/or HUD-1
- Original Purchase Date & Price
- Cost and description of improvements made to the property
- Any prior depreciation taken on the property

## 7. Estimated Taxes Paid

**Do not include payments for the prior year taxes that were paid when filing last year's tax return, only tax deposits made that are applied to the current year. If you paid a state other than California, please indicate which state. You may provide this information on a separate sheet if needed.**

Payment Due	Date Paid	Federal	State
Applied from last year's refund	-----		
First Quarter			
Second Quarter			
Third Quarter			
Fourth Quarter			

## 8. Child or Dependent Care

### A. Care Provider #1 (All fields required)

Dependent Name

Amount Paid

Care Provider

Address care was provided at

Provider Phone Number

Provider SS# or Employer ID#

### B. Care Provider #2 (All fields required)

Dependent Name

Amount Paid

Care Provider

Address care was provided at

Provider Phone Number

Provider SS# or Employer ID#

### C. Care Provider #3 (All fields required)

Dependent Name

Amount Paid

Care Provider

Address care was provided at

Provider Phone Number

Provider SS# or Employer ID#



## 11. Homes & Land

### A. Property Info

Please provide information on the homes and property you owned during the year. Attach additional sheets as needed:

Property 1 Address or Description:

Property 2 Address or Description:

Property 3 Address or Description:

### B. Property Details

	Property 1	Property 2	Property 3
Primary Residence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bare Land	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vacation Home	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Qualifying RV/Travel Trailer/Vessel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Investment Property (Sch D)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Property (Sch E)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business Property (Sch C)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Purchased During the Year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sold During the Year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Acquired/Sold through 1031 Exchange?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### C. Interest Expense (Not including business & rental expenses)

#### Primary Residence Mortgage Interest (Provide 1098):

Mortgage Interest Paid

Date Mortgage Acquired

Mortgage Balance at Year End

#### Home Equity Mortgage Interest (Provide 1098):

Home Equity Mortgage Interest Paid

Date Home Equity Loan Acquired

Home Equity Loan Balance at Year End

#### 2nd Home Mortgage Interest (Provide 1098):

Mortgage Interest Paid

Date Mortgage Acquired

Mortgage Balance at Year End

Additional Home/Property Mortgage Interest Paid:

### D. Energy Efficient Home Improvements

Improvement: \_\_\_\_\_ Cost: \_\_\_\_\_

Improvement: \_\_\_\_\_ Cost: \_\_\_\_\_

Improvement: \_\_\_\_\_ Cost: \_\_\_\_\_

Improvement: \_\_\_\_\_ Cost: \_\_\_\_\_

## 12. Un-reimbursed Employee Expense

The recent changes to the tax laws have eliminated the Federal deduction for Unreimbursed Employee Expenses, however you may still qualify for a deduction on your State Tax Return.

Who are these expenses for:  Taxpayer  Spouse

If both spouses have expenses, please list the spouse's on a separate sheet.

### A. Non-Reimbursed Employee Expenses

Union & Professional Dues

Meals

Entertainment

Insurance (Malpractice, E&O, Etc.)

Occupational License, Fees, Credentials, Etc.

Publications & Journals

Telephone

Tools costing less than \$500

Tools over \$500 each -- Provide Description, Price, & Date of Purchase on a Separate Sheet

Supplies

Uniforms

Uniform Cleaning

Other:

### B. Business Travel (As Un-reimbursed Employee)

Airfare, Train, Etc.

Lodging (Not including meals)

Meals

Auto Rental, Bus, Taxi, Etc.

Laundry

Non-Reimbursed Miles Driven

Other (Specify):

### C. Business Vehicle Expense (As Un-reimbursed Employee)

Vehicle Make/Model/Year

Date Purchased

Beginning/Ending Mileage for Year \_\_\_\_\_ / \_\_\_\_\_

Total Miles (Including Personal)

Commute Miles

On-the-Job Miles

Is the vehicle leased?  Yes  No

Do you have written records to support use?  Yes  No

Was another vehicle available for personal use?  Yes  No

Cost of Fuel, Repairs & Maintenance

Cost of Insurance, License & Fees

## 12. Employee Expense (Continued)

### D. Employee Home Office

#### For Employee Home Office Only.

To qualify, an "office in the home" must be used exclusively and on a regular basis (a) as your principal place of business, or (b) by patients, clients, or customers in meeting and dealing with you in a normal course of business. A home office will qualify as your principal place of business if: 1) You use it exclusively and regularly for the administrative or management activities of your trade or business, and 2) You have no other fixed location where you conduct substantial administrative or management activities of your trade or business. If you are an employee, the home office use must also be for the convenience of the employer. Enter 100% of home taxes and mortgage interest under Itemized Deductions on Sections 7B&C.

#### Area of Home

Total Square Footage of Home

Square Footage of Area used for Business

#### Home Office Expenses

\$ Amount	Expense applies to:	
Insurance	<input type="checkbox"/> Entire Home	<input type="checkbox"/> Office Only
Rent	<input type="checkbox"/> Entire Home	<input type="checkbox"/> Office Only
Repairs & Maint.	<input type="checkbox"/> Entire Home	<input type="checkbox"/> Office Only
Utilities	<input type="checkbox"/> Entire Home	<input type="checkbox"/> Office Only
Other (Specify):	<input type="checkbox"/> Entire Home	<input type="checkbox"/> Office Only
Other (Specify):	<input type="checkbox"/> Entire Home	<input type="checkbox"/> Office Only

## 13. Signature

To the best of my knowledge, all of the information contained within this document is true, correct, and complete.

Taxpayer:

Date:

Spouse:

Date:

Please attach an additional sheet with any Questions, Comments, or Notes.

## OFFICE USE ONLY

New Client      Ref By:

ETO       SP       BK       PR

## Notes