



PO BOX 9187 • BERKELEY, CA 94709 • (510) 647-9339 • FAX (925) 743-1193

Locations: 3200A Danville Boulevard, Suite 201, Alamo, CA 94507 □ 1600 Shattuck Avenue, Suite 205, Berkeley, CA 94709

Name(s):	Email:
Address:	Phone:

Dear Client:

This Agreement confirms terms under which Abacus Tax Service (herein "Abacus") will provide tax return services for the 2011 tax return(s).

**SERVICES INCLUDED:**

- >> One tax preparation interview. Additional appointments and New Client Setup time is Billed Hourly -- all hourly billing is at \$200 per hour, with a quarter-hour minimum.
- >> Electronic Filing, when available (please note that Federal and State restrictions may apply).
- >> Brief phone calls for consultation during the subsequent year at no additional charge.
- >> Electronic Delivery of your Copy of your tax return(s) in PDF format sent via email. A paper copy will be printed for those who do not have electronic access.
- >> Quarterly tax estimates for 2012 payments based on 2011 data are included with the return. Further calculations may be requested during the year but are Billed Hourly.

**INSTRUCTIONS:**

1. **Read and Complete the Organizer.** You may fill it out online or print out a copy and submit it either electronically or at your appointment. *We reserve the right to bill for any additional data-entry time caused by not having filled out the Organizer.*
2. **Attach to the Organizer all relevant documents** for the accurate preparation of the tax return such as W2s, 1099s, Escrow Documents, Property Taxes, Estimated Taxes Paid in 2011, etc. Missing documents should be sent promptly via fax or email or via your portal to your Preparer.
3. **Sign and Initial this Agreement and the Organizer where indicated.**
4. **Provide a credit card number or ACH authorization to guarantee the preparation of your Return using the attached Payment Authorization Slip.**

**CLIENT OBLIGATION:**

1. **Client will timely provide accurate, truthful and complete information** for the preparation of the return. If all required information is not submitted by Friday, March 16<sup>th</sup>, then the Preparer reserves the unilateral right to place the Client on extension.
2. **Client will categorize their expenses and deductions.** Abacus will not verify your information.
3. **Client represents and warrants that they possess adequate records to substantiate income, deductions, credits and tax basis for transactions as defined in IRS Publications #563 (small business), #463 (travel & entertainment) and #552 (individuals).** Client acknowledges that we have requested herein and at their Review that they have matched all items claimed on their return to their records.

4. **(NEW SCHEDULE D). Clients with stock trades MUST submit their data in Excel format or be assessed an additional line-item fee for data entry (\$10 per for 2011);** spreadsheet data must include the Security Name, Number of Shares, Date Acquired, Date Sold, Cost Basis & Sales Proceeds. ***Please note that the new Schedule D is six pages long and that any time required to reconcile your data, including spreadsheet data, will be Billed Hourly.***
5. **Client will review the completed tax return(s)** carefully prior to signing them and acknowledges that any liability created by clerical or data entry errors contained in the return after it has been reviewed are the liability of the taxpayer.
6. **Client will make full payment of all prior invoices** including late fees before the current-year tax return will be electronically transmitted. Completed returns for Clients with outstanding invoices will be placed on Extension, and will be withheld if not paid by the Filing Date.
7. **Client pre-authorizes Abacus to file their Extension** in the current and subsequent year unless they have notified Abacus in writing of their intent to terminate services.
8. **Client accepts full responsibility** for any failure to adequately review their completed return, and/or to sign and submit their e-file documents and/or to notify the Preparer of any material change from the information originally submitted. Payment is due for any work completed, even if the return is not picked-up or the engagement is cancelled.

**PREPARER OBLIGATION:**

1. Preparer will use his/her judgment in resolving questions where the law is unclear, or where there are conflicts between the tax authority's interpretations of the law and other supportable positions. Unless instructed by the Client, Preparer will resolve such questions in client's favor whenever possible.
2. **Prepare the return based exclusively on information and documentation provided by the Client.** Information and documentation provided by Client will not be independently verified.
3. Timely complete the return for filing. Abacus requires at least 14 days after submitting your ***final*** data for the preparation of the return.
4. Keep all information received from client as confidential and subject to disclosure only at the request of the Client or as compelled by law or regulatory matters per IRS Circ 230.

**POLICIES:**

1. **All fees are due and payable before any e-file transmission is completed, or before the return is printed for mailing to any state or federal agency.** A Late Charge will be assessed for an unpaid balance, accrued each 30 days, equal to the greater of \$10 or 5% of the balance.
2. Client authorizes Abacus to bill their account per the terms of their Payment Authorization Slip for the fee less any deposit paid previously when the return is completed by the Preparer, or substantially completed if the client goes on Extension.
3. **Client agrees to a non-refundable deposit of \$200 per return, due upon signing this engagement letter, to be credited against their final bill.**
4. Client pre-authorizes Abacus to bill their account per the terms of their Payment Authorization Slip for any additional services or fees related to the current year tax return, including but not limited to: printing additional copies of the return or filing a paper return; tax advice, consulting and research; correspondence and calls to approved third parties, such as a mortgage lender, Internal Revenue Service, EDD or Franchise Tax Board; amending the tax return; shipping and handling charges, use of which is at the discretion of Abacus; and fees for late payments.

**ADDITIONAL TERMS AND CONDITIONS:**

1. **Liability Limitation.** Client agrees that the liability of Abacus for any preparation errors is limited to the amount of the fee paid by Client for preparation of the return, or the amount of any penalties assessed, whichever is less. However, if Client desires Abacus to be liable for sums in excess of this amount, Client may pay to Abacus a sum equal to \$10 per \$100 of additional liability coverage. If Client does not purchase the additional liability coverage, then the liability of Abacus is limited to the fee paid by Client for preparation of the return, or the amount of any penalties assessed, whichever is less. The above limits of liability are the Client's sole remedy and damages. If you wish to do other than Decline Coverage, please insert the amount of additional coverage desired other than "0".

Additional Coverage Demanded \$\_\_\_\_\_. Additional Coverage Declined \_\_\_\_\_ / \_\_\_\_\_ [initials]

2. **Audit.** If you are Audited or Receive a Notice Letter, Abacus can assist you. There is a minimum \$100 deposit for these services. Should you choose to represent yourself or engage a third party in an Examination (by mail or in person), you hereby release Abacus and the Preparer of any liability arising from the outcome.

3. **Mediation.** Before either party may initiate a legal action, except a Small Claims action for payment of fees by Abacus, Client and Abacus agree to mediate any dispute or claim arising between them from this Agreement before resorting to arbitration or court action. Failure of any party to participate in meaningful mediation required by this paragraph will result in that party forfeiting any right to its attorney's fees and costs.

4. **Arbitration.** Client and Abacus agree to arbitrate any claims, disputes and other matters or questions arising out of or related to this Agreement, which is not settled through mediation. The arbitrator shall be a retired judge or an attorney with at least 10 years of Contract Law experience, who shall render an award in accordance with substantive California Law. The parties shall have no rights to discovery, but in all other respects, the arbitration shall be conducted in accordance with arbitration provisions in the California Code of Civil Procedure. Judgment upon the award of the arbitrator may be entered in any court having jurisdiction.

5. **Fees and Costs.** The prevailing party in such dispute will be entitled to recover its reasonable costs and expenses, including, without limitation, arbitration costs, court costs and reasonable attorneys' fees actually incurred, as awarded by an arbitrator or a court of competent jurisdiction.

6. **Interpretation and Venue.** This Agreement shall be interpreted by California law. Venue shall be Alameda County, California or Contra Costa County, California.

7. **Ambiguities.** The parties agree that any rule of construction to the effect that ambiguities in this Agreement are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any claim or dispute.

**I acknowledge that I have engaged Abacus to prepare my personal and/or business income tax returns and other related financial statements, that the information I provided is true, accurate and correct, and that I agree to all the terms and conditions contained in this Agreement. If this is a Joint Return, the signing spouse further acknowledges that they have the consent of their spouse.**

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Print Name \_\_\_\_\_

Print Name \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_



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**PAYMENT AUTHORIZATION SLIP** (to be returned to the Client)

Client Name(s) using this credit card: \_\_\_\_\_

\_\_\_\_\_

Name (as it appears on card): \_\_\_\_\_

Billing Address: \_\_\_\_\_  
street

\_\_\_\_\_ apt. no. / suite

\_\_\_\_\_ city / state / zip

Daytime Phone: \_\_\_\_\_

Card Number: \_\_\_\_\_

Expiration Date: \_\_\_\_\_ Security Code: \_\_\_\_\_

Cardholder Signature: \_\_\_\_\_

This authorization slip will be returned to you after the information has been posted to our QuickBooks® accounting system. This information, once entered, is not visible to users (they see \*\*\*\* instead of your credit number) and is encrypted. The credit card information is used to facilitate billing and avoid late fees.

<b>OR...</b> (check one below)
<input type="checkbox"/> Email me a PayPal invoice to: _____ (email address)
<input type="checkbox"/> I am paying by check and acknowledge that Abacus Tax Service will delay transmission of my electronic return until my check is received.
<input type="checkbox"/> I authorize direct ACH withdrawal from my bank account on file with Abacus.