



LANDON C. SCOTT, PLLC
CERTIFIED PUBLIC ACCOUNTANTS|ADVISORS

1040 INDIVIDUAL TAX RETURN ENGAGEMENT LETTER

Dear Client:

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. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom returns are prepared, to confirm the following arrangements.

We will prepare your 2023 federal and resident state income tax returns from information that you will furnish us. If you have taxable activity in a state/city other than your state of residency you are responsible for providing our firm with all information necessary to prepare any additional applicable state(s) or local income tax returns as well as informing us of the applicable states. We will prepare only those returns you specifically identify on the third page of this engagement letter. The returns will be prepared based on the laws in effect at the time of preparation. We are not responsible for any retroactive law changes made by the federal or state governments after the returns have been prepared. We will not audit or otherwise verify the data you submit, although it may be necessary to ask you for clarification of some of the information. Questionnaires and/or worksheets to guide you in gathering the necessary information are available on our website. Your use of such forms will assist in keeping pertinent information from being overlooked. For more information visit www.lscottcpas.com.

We are responsible for preparing only the specific individual income tax returns for the specified reporting agencies listed in this letter. Any other required services, forms or other actions on our part require a separate engagement letter. In the absence of written communications from us documenting such services, our services will be limited to and governed by the terms of this engagement letter. Our services are not intended to determine whether you have filing requirements in taxing jurisdictions other than the one(s) of which you have requested in this engagement letter. Our firm is available under the terms of a separate engagement letter to provide a nexus study that will enable us to determine whether any other state tax filings are required.

Starting in 2024, the Corporate Transparency Act (“CTA”) mandates certain entities (primarily small and medium-size businesses) created in or registered to do business in the United States report information about their beneficial owners – the individuals who ultimately own or control a company – to the Financial Crimes Enforcement Network (“FinCEN”). If your individual return includes a business, you are responsible for compliance with the CTA, if applicable, and for ensuring that any required reporting of beneficial ownership information is timely filed with FinCEN as required by the CTA. As Landon C. Scott, PLLC is no rendering any legal services as part of our engagement, we will not be responsible for advising you regarding the legal or regulatory aspects of your compliance with the CTA, nor are we responsible for the preparation or submission of beneficial ownership information reports to FinCEN. If you have any questions regarding compliance with the CTA, including but not limited to whether an exemption may apply to your business or to ascertain whether relationships constitute beneficial ownership under CTA rules, we strongly encourage you to consult with qualified legal counsel experienced in this area.

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It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You should retain all the documents, cancelled checks, logbooks, receipts and other data that form the basis of income and deductions as required by law. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You are acknowledging that you have reported all 2023 income you received including barter, crypto-currency, consumer-to-consumer activity, cash-based revenues and all other income whether received in-person, in-kind, or electronically. This includes any sales, staking, mining, lending, NFT activity, trades or other activities when it comes to crypto-currency. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.

If you do not provide our firm with information regarding any interest you may have in a foreign account, we will not be able to prepare any of the required Income Tax related forms, and penalties may be due, for which we have no responsibility. In the absence of such information being provided we will presume you do not have any foreign assets or financial interests and will not file an applicable disclosure forms without separate written authorization.

Our work, in connection with the preparation of your income tax returns, does not include, any procedures designed to discover defalcations or other irregularities, should any exist. We will render such accounting and bookkeeping assistance as determined to be necessary for preparation of the income tax returns. You understand that we will not audit or otherwise verify any information, that we may require clarification or additional information, that we are not responsible for disallowed deductions, or the inclusion of additional unreported income or any resulting taxes, penalties or interest.

We will use professional judgment in resolving questions where the tax law is unclear or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor whenever possible.

The filing deadline for the tax return is April 15, 2024. In order to meet this filing deadline, the information needed to complete the return should be received by us no later than **March 11, 2024**. We do not guarantee completion of your return by the April 15, 2024 deadline if your complete information is received by our office after March 11th.

If an extension of the time is required, any tax that may be due with your return must be paid with that extension. Any returns in our office that cannot be completed by the filing deadline will be extended. **Extensions must otherwise be requested in writing, email, or fax as we cannot file an extension without your permission and requesting one.** If calculations are required for extension payments they will be billed in addition to our return preparation fees. Any amounts not paid by the filing deadline are subject to interest and late payment penalties when those amounts are actually paid.

Your returns may be selected for examination or inquiry (notices) by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, inquiries or notices, we are available upon request to represent you and will render additional invoices for the time and expenses incurred. You understand that in the event of preparer error, you are responsible for the additional tax and interest that may be due, but that the extent of our responsibility is to pay any penalty that the IRS or engaged state revenue departments may assess.

When a self-employed taxpayer reduces taxable income there is also a reduction in earned income reported to the Social Security Administration, which could reduce current and future benefits for the taxpayer and his or her dependents. You acknowledge and agree to the current tax reduction and also acknowledge and agree to

the potential negative effects on future social security benefits for you, your spouse and any dependents.

At times you may wish to communicate with Landon C. Scott, PLLC via e-mail. By signing this Engagement Letter you authorize us to transmit confidential information, including, but not limited to, tax and financial data over the internet. You, as the individual and authorized signer, accept the inherent risks associated with sending data via e-mail. You agree that Landon C. Scott, PLLC is not liable for any damages that may result from those inherent risks associated with sending confidential information via e-mail pursuant to this authorization including, but not limited to, interception by a third party or unintentional inclusion of an authorized recipient.

If the foregoing fairly sets forth your understanding, please sign this letter in the space indicated and return it to our office. You may return this letter with your tax information. However, if there are other tax returns you expect us to prepare, such as gift and/or sales tax, please inform us by noting so just below your signature at the end of this letter.

We want to express our appreciation for this opportunity to work with you.

Sincerely,

Landon C. Scott, PLLC

Signature: _____

Print Name: _____

Date: _____

Email address: _____

By providing your email address you are authorizing us to communicate with you based on the terms of our "E- mail Authorization Form" document referenced on our website www.lscottcpas.com.

Please indicate which forms you wish for us to prepare in addition to the Federal and Resident State return:

Minnesota Property Tax Refund and Renter Refund	
Wisconsin	
Other (Please list)	

Comments or additional requests:

ESTIMATED TAX PAYMENTS

	Federal		State	
	Yes	No	Yes	No
Did you make any estimated tax payments?				

If above answer is Yes, please complete table below:

	Federal		State			Local		
	Date	Amount	Date	Amount	ID	Date	Amount	ID
Qtr 1 due by 4/15/2023								
Qtr 2 due by 6/15/2023								
Qtr 3 due by 9/15/2023								
Qtr 4 due by 1/15/2024								
Additional payments...								
Additional payments...								

ADDITIONAL QUESTIONS

	Yes	No	N/A
Do you have any foreign bank accounts, trusts, or real estate? This does not pertain to individual stocks, mutual funds or brokerage accounts maintained by a US financial institution.			
At any time during 2023, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency?			
Do you have all information necessary to back up charitable deductions being claimed such as canceled checks, credit card statements and letters from charities for contributions greater than \$250.00?			
Did you make a qualified charitable donation from your IRA? If yes, please provide amounts and details of the donations from each IRA.			

BUSINESS MEALS

	Yes	No
Schedule C Taxpayers: Do your business meals meet each of the following criteria? Is ordinary and necessary in carrying your trade or business? You and at least one other party are present? The meal is not lavish or extravagant under the circumstances? A proper record of the business meal is kept?		

BUSINESS MILEAGE

Schedule C Taxpayers: Are your business miles for business purposes and miles driven between two places of work? Traveling between your home and main/second job are NOT considered business miles.		
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AFFORDABLE CARE ACT

Yes No

Did you purchase your insurance on the Market Place exchange? If so, you must provide us with Form 1095-A, Health Insurance Marketplace Statement.		
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IRS IDENTITY PROTECTION PIN

Yes No

Did you receive an Identity Protection PIN from the IRS (Letter 4869 CS) as a victim of Tax ID Theft?		
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HOME EQUITY LOAN

Yes No

Do you have a home equity loan or line of credit?		
If yes, were the proceeds used to buy, build or improve the home?		

DIRECT DEPOSIT INFORMATION

Please provide a VOIDED CHECK if you would like your refund direct deposited into your savings or checking account. It is not necessary to provide one if there has not been any changes and you provided one last year.

***Please make sure you have signed the Engagement Letter on page 3**

Education Savings Account Contribution Credit or Subtraction (529 Plans)

529 Plans

Did you contribute to a 529 plan? If so, provide the following:

Financial Institution:	Account Number:	Amount:
Financial Institution:	Account Number:	Amount:

Long-Term Care Insurance Credit 2023

Provide the information in the appropriate column for each insured person. If you are filing a joint return and both you and your spouse are covered by one policy, use half of the premiums in column A and half in column B (below).

	Insurance Company	Policy Number	Amount
Tax Payer			
Spouse			

School-Age Dependents and Expense Deduction

Child Name	Grade	School Expenses

Educational expenses	Qualifies for:		
	credit	subtraction	neither
Private school tuition		X	
Tuition for college courses that are used to satisfy high school graduation requirements		X	
Tutoring (by qualified instructor)*	X	X	
Fees for after-school enrichment programs such as science exploration and study habits courses*	X	X	
Tuition for summer camps that are primarily academic in focus, such as language or fine arts camps*	X	X	
Fees for all-day Kindergarten	X	X	
Music lessons*	X	X	
Instructor fees for a drivers education course* if the school offers a class as part of the curriculum	X	X	
Sport camps or lessons			X
Nonreligious academic books and materials purchased for use during the regular public, private, or home school day	X	X	
Purchase of books and materials used for tutoring, enrichment programs, or academic camps			X
Purchase or rental of musical instruments used for regular school music class	X	X	
Fees paid to others for transportation to/from school or for field trips during the normal school day	X	X	
Costs to transport your child to and from tutoring, enrichment programs, or camps that are not part of the school day			X
Travel expenses, lodging, and meals for overnight class trips			X
Home computer hardware and educational software	X	X	
Noneducational computer software			X

*Please refer to the following site for more information on what may qualify:
www.revenue.state.mn.us/individuals/individ_income/factsheets/fact_sheets_fs8.pdf