PERSONAL INFORMATION	TAXPAYER	SPOUSE
Full Name		
Address, City, State, Zip		
Social Security Number / Birthdate	/ /	/ /
Occupation		
FILING STATUS:	Phone: Cell/Work:	e-mail
Note: If we prepared your 2011 tax return, only note changes to above information.		

ENGAGEMENT LETTER

DEAR CLIENT: We are pleased to be able to serve you in preparing your 2012 federal and requested state income tax returns. This letter is to specify and confirm the terms of our engagement with you and to clarify the nature and extent of the services we will provide. We will prepare your returns from information you furnish us. 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. We may furnish you an organizer to guide you in gathering the necessary information. Your use of an organizer will assist in keeping pertinent information from being overlooked. **The filing deadline is April 15, 2013 or October 15, 2013 if an extension has been filed.** We request all information be provided as early as possible, but no later than 10 days prior to filing deadline in order to avoid late filing penalties. Our fees will be based upon our current rate schedule.

• 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, and other data that form the basis of income and deductions in a permanent file. These may be necessary to support the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns. You should review them carefully before signing them.

• Our engagement cannot be relied upon to disclose errors, irregularities, or illegal acts, including fraud and defalcations which may exist. We may inform you of any such matters that come to our attention. We will perform those accounting and bookkeeping assistance as determined to be necessary for preparation of the income tax returns. In addition, we will use professional judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretation of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such issues in your favor whenever possible.

• If an extension of time to file your return is required, any tax that may be due with the return must be paid with the extension. Any amounts not paid by the filing deadline are subject to interest and late filing penalties when those amounts are actually paid. All costs in this regard are your responsibility. This includes any additional fees for the extension as well as any penalties and/or interest that may be due because of late payment.

• The law provides for various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on the amount or the circumstances of these penalties, please contact us. Your returns may be selected for review by the taxing authorities. Any proposed adjustments resulting from that review are subject to certain rights of appeal. In the event of such government review or tax examination, we will be available upon request to represent you and will issue additional invoices for the time and expenses incurred. All invoices are due and payable upon presentation.

• As additional consideration for us to provide these services, you agree the extent of our liability for damages to you for any actions taken will not exceed the total amount actually paid by you for our services. You agree that this will be your only remedy and you hereby waive any other claims you have now or in the future for actual, incidental, and consequential damages, including, but not limited to, lost profits and third party claims.

• On occasion we may refer you to another organization for services or products that we believe could be beneficial to you. We as a matter of company policy do not accept any compensation for such referrals.

• Our court and authorities or the federal district court having venue over us will have jurisdiction over all controversies that may arise regarding this agreement. This is so regardless of the location of the residence or business of a party to this agreement.

• It is agreed there are no other agreements or understandings between us relating to this engagement agreement and that it supersedes all prior engagement agreements either written or oral, that exist or may have existed. Neither this engagement agreement nor its execution have been induced by any reliance, representation, stipulation, warranty, agreement, or understanding of any kind other than those expressed in this agreement. No change or modification of this engagement agreement shall be valid unless made in writing and signed by the parties.

• **Both of us may cancel this engagement at any time by any form of written or electronic notice.** If you cancel and we have performed any work prior to our receiving your cancellation notice, you agree to pay us for such work performed based upon our current rate schedule. We may use any deposits or payments already received and apply them to your account.

RECORD RETENTION POLICY: In accordance with our firm's current record retention policy, we will retain our work papers for three years from the filing date of your return. We will provide you copies of all reports prepared that should be a part of your books and records. If you need replacements, we will provide additional copies at our standard copying fee. All your original records will be returned to you. After three years, our records pertaining to this engagement will no longer be available. Physical deterioration or catastrophic events may shorten the term during which our records will be available. The working papers and files of our firm are not a substitute for the original records of your company. It is agreed and understood that in connection with the performance of our engagement, the work papers prepared by us will remain our property.

PRIVACY POLICY: This is being furnished to you as required by the Gramm-Leach-Bliley act of 1999, which addresses in part the protection of individuals' privacy. This is the annual notice required by law. It is the policy of our office to treat any information concerning our clients and former clients with strict confidentiality. Consistent with that policy, we restrict access to nonpublic personal information concerning you to staff members who must have it in order to provide you the products and services for which you have retained us. We do not disclose any personal or confidential information to anyone else without your express permission to do so, except as permitted by law. In addition, we maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information. We may disclose any of your nonpublic personal information that we collect about our customers, former customers to our affiliates or to non-affiliated third parties as permitted by law. This policy will continue.

• We value our relationship with you and hope you view us as a trusted advisor. We will work to continue earning that trust. If the foregoing fairly sets forth your understanding of this engagement, please signed in the space indicated and return it to our office.

( ) MAIL TAX RETURN ( ) PICK UP TAX RETURN (X) E-FILE TAX RETURN (X) DIRECT DEPOSIT REFUND TO:

BANK: R/T#: ACCT#:

THE ENGAGEMENT TERMS DESCRIBED IN THIS LETTER ARE ACCEPTABLE AND HEREBY ARE AGREED TO. WE ALSO AGREE TO THE RECORD RETENTION AND PRIVACY POLICIES SET FORTH IN YOUR LETTER. THE DATA PRESENTED HEREIN IS FOR THE USE OF VALLEY BUSINESS SERVICES IN PREPARING OUR INCOME TAX RETURN. THIS DATA IS COMPLETE AND CORRECT TO THE BEST OF MY KNOWLEDGE. I HAVE EXAMINED MY TAX FORM 1040 FOR THE YEAR ENDING 12-31-12. I FIND THIS RETURN AND ALL ACCOMPANYING SCHEDULES AND STATEMENTS WERE PREPARED FROM INFORMATION I FURNISHED TO VALLEY BUSINESS SERVICES. I HAVE ASSURED VALLEY BUSINESS SERVICES I CAN SUBSTANTIATE ALL DEDUCTIONS ON THIS RETURN AND HAVE BEEN FURNISHED A COPY OF THE RETURN.

X 2013 x 2013

Your Signature **Spouse Signature**