



2025 INDIVIDUAL 1040 TAX RETURN ENGAGEMENT LETTER

Dear Client:

Thank you for selecting John Kasperek Co., Inc., Certified Public Accountants to assist you with your tax affairs. This letter confirms the terms of our engagement with you and the nature and extent of the services we will provide.

- We will prepare your 2025 federal and all state income tax returns you request using information you provide to us, including the returns you filed last year. We may ask for clarification of some items, but we will not audit or otherwise verify the data you submit. We will prepare the above referenced tax returns solely for filing with the Internal Revenue Service (“IRS”) and state and local tax authorities as identified above. Our work is not intended to benefit or influence any third party, either to obtain credit or for any other purpose. We will not respond to any request from banks, mortgage brokers or others for verification of any information reported on these tax returns. Unless otherwise noted, we will perform our services in accordance with the Statements on Standards for Tax Services (“SSTS”) issued by the American Institute of Certified Public Accountants (“AICPA”) and U.S. Treasury Department Circular 230 (“Circular 230”), and the Internal Revenue Code, Treasury Regulations, and any applicable state/local corollaries (collectively, “the Code”).
- You are responsible for determining your tax filing obligations with any state or local tax authorities, including, but not limited to income, franchise, sales, use, property, or unclaimed property taxes. You agree that we have no responsibility to research these obligations or to inform you of them. If upon review of the information you have provided to us, along with information that comes to our attention, we believe you may have additional filing obligations, we will notify you of this responsibility in writing and ask you to contact us. If you ask us to prepare these returns, we will confirm this representation in a separate engagement letter.
- It is your responsibility to provide the information required for the preparation of complete and accurate returns. You are responsible for the adequacy of all information provided in such documents. You should keep all documents, canceled checks and other data that support your reported income and deductions. They may be necessary to prove accuracy and completeness of the returns to a taxing authority. You are responsible for the returns, so you should review them carefully before you sign them.
- In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.
- Our work will not include any procedures to discover defalcations or other irregularities. The only accounting or analysis work we will do is that which is necessary for the preparation of your income tax returns.

- To send secure documents, we may use the portal on Imaginetime. This is a secure portal site that is used to store documents.
- Certain individuals may be required to electronically file Form 114, Report of Foreign Bank and Financial Accounts (FBAR) with the U.S. Department of the Treasury. Failure to comply with the filing requirements may result in significant civil and criminal penalties. Unless otherwise specifically agreed in writing, we will not prepare, file, or provide assistance with this form. By your signature below, you agree to provide us with complete and accurate information regarding any foreign investments in which you have a direct or indirect interest, or over which you have signature authority, during 2025.
- Penalties of as much as \$100,000 can be imposed on you for failing to disclose participation in “reportable transactions,” that is, certain arrangement the IRS has identified as potentially abusive. We will insist that all such transactions be properly disclosed.
- There are specific tax implications of investing in digital assets such as virtual currency, e.g., Bitcoin. The IRS considers these to be property for U.S. federal income tax purposes. As such, any transactions in or that use digital assets are subject to the same general tax principles that apply to other property transactions. If you had any digital asset transactions during the year, you may have tax consequences and/or additional reporting requirements. Depending on the nature or volume of those transactions, a change to the scope of our services may be required. You are responsible for providing us with complete and accurate information, including basis, regarding any transactions in, or that have used digital assets during 2025.
- We must use our 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. There may be situations where we are required by law to disclose a position on a tax return. We are not attorneys; therefore, we cannot provide you with a legal opinion on various tax positions. We can, however, advise you of the consequences of different positions. In order to avoid penalties, we will apply the “more likely than not” reliance standard to resolve such issues. You agree to honor our decisions regarding the need to make protective disclosures in your returns. In the event, however, that you ask us to take an unsupported tax position or refuse to make any required disclosures, we reserve the right to withdraw from the engagement without completing or delivering the tax returns. Such withdrawal would complete our engagement and you agree to pay our fee based on time expended at our standard rates plus all out-of-pocket expenses through the date of withdrawal.
- If an extension of the time is required, any tax due with these returns must be paid with that extension. Any amounts not paid by the filing deadline may be subject to interest and late payment penalties assessed by the IRS or State Revenue Department. The law also imposes penalties when taxpayers understate their tax liability. If you have concerns about such penalties, please inquire with us.
- You may be required to make quarterly estimated tax payments for your 2026 Tax year. We will calculate these payments for the 2026 tax year based upon the information from your 2025 tax return and have no obligation to update recommended payments after the engagement is completed. If you ask us to update your estimated tax payments, we will confirm this in a separate engagement letter.
- Your returns may be selected for audit by a taxing authority. Any proposed adjustments are subject to appeal. In the event of a tax examination, we can arrange to be available to represent you. Such representation will be a separate engagement for which an engagement letter will be provided to you. Fees and expenses for defending the returns will be invoiced in accordance with the terms we agree on for that engagement.
- IRS audit procedures will almost always include questions on deductions that require strict documentation such as charitable contributions, medical expenses, educator expenses, and self-employed business expenses (usage of autos, computers, meals, supplies, contract labor and cell phones). In preparing your returns, we rely on your representations that we have been informed of all the information and that you understand and have complied with the documentation requirements for your expenses and deductions.

- The engagement does not include any services not specifically identified above. We may need to perform additional accounting or research services incidental to the preparation of your tax returns. These incidental services will be billed with your tax return, at our standard rates. Our engagement does not include tax planning services. During the course of preparing the tax returns identified above, we may bring to your attention potential tax savings strategies for you to consider as a possible means of reducing your taxes in subsequent tax years. However, we have no responsibility to do so, and will take no action with respect to such recommendations, as the responsibility for implementation remains with you, the taxpayer. If you ask us to provide tax planning services, we will confirm this representation in a separate engagement letter.
- We will retain copies of records you supplied to us along with our work papers for your engagement for a period of seven years. After seven years, our work papers and engagement files will be destroyed. All your original records will be returned to you at the end of this engagement. You should keep the original records in secure storage.
- Unless authorized by law, we cannot disclose your tax return information to third parties for purposes other than those related to the preparation and filing of your tax return without your consent. If you consent to the disclosure of your tax return information, federal law may not protect your tax return information from further use or distribution. You are not required to complete this form. Because our ability to disclose your tax return information to another tax return preparer affects the tax return preparation service(s) that we provide to you and its (their) cost, we may decline to provide you with tax return preparation services or change the terms (including the cost) of the tax return preparation services that we provide to you if you do not sign this form. If you agree to the disclosure of your tax return information, your consent is valid for the amount of time that you specify. If you do not specify the duration of your consent, your consent is valid for one year from the date of signature. [Revenue Procedure 2013-14, section 5.04(1)(b).]
- Our fee for the preparation of your tax returns will be based on the amount of time required at standard billing rates plus out-of-pocket expenses. All invoices are due and payable upon presentation. To the extent permitted by state law, an interest charge may be added to all accounts not paid within thirty days.
- You may terminate this engagement at any time. Should you do so, however, you remain liable for all unpaid fees as discussed above. We reserve the right to withdraw from this engagement at any time because of unpaid fees, the guidance of our professional standards, or for any other reason. We will notify you in advance of any decision by us to withdraw and will take all reasonable steps to assist in the orderly transfer of your tax services. Otherwise, this engagement will be considered complete upon acceptance of your e-filed returns by the tax authorities. In the event that your returns are not e-filed, you will have final responsibility for mailing your returns to the applicable taxing authorities.

To affirm that this letter correctly summarizes your understanding of the arrangements for this work, please print and sign below in the space indicated.

Sincerely,

John Kasperek, Jr.

John Kasperek Co., Inc.
Managing Partner

PRINT NAME:

(TAXPAYER) _____

SIGNATURE _____

(SPOUSE) _____

SIGNATURE _____

DATE _____



Client Drop Off Questionnaire
Tax Year 2025

Please fill in all information below. Bring completed documents with you when you drop off or you can contact Alison at adolbeer@kasperekcpa.com to get set up on our New Portal.

PERSONAL INFORMATION

Name
Spouse Name
Address
(street, city, zip code)
Best Phone Number to be reached
E-mail Address
Occupation(s)

QUESTIONS

- 1 Are you a new client? If yes, please provide a copy of your social security card and drivers license or state ID. Yes No
2 Would you like to sign up for our newsletter? Yes No
3 What is your filing status? Single Head of Household (unmarried and claiming a dependent) Married Filing Jointly Married Filing Separately
4 Any change in dependents from previous year? If so, please provide the dependent's name, date of birth, and social security number on the back of this document. Yes No
5 Did you obtain healthcare coverage through the Marketplace? If yes, please provide the Form 1095-A from the Marketplace. Yes No
6 Did you buy or sell a home in 2025? If yes, please provide a copy of the closing statement. Yes No
7 Did you make any quarterly tax payments to the IRS or the state? If yes, please provide the details on the back of this document. Yes No
8 Did you have any education expenses such as tuition, housing, books, or registration fees for K-12 or college? Any withdrawals from a qualified education plan (Sec 529)? If yes, please provide any Forms 1099-Q and 1098-T received. Yes No
9 Did you purchase any energy efficient items in 2025 such as air conditioners, water heaters, windows or doors? Yes No

10 Please provide your direct deposit information. The IRS is not sending paper checks for federal or state refunds for the 2025 tax season. Routing Number: Account Number:
11 Any special circumstances or changes we should be aware of?