

January 2021

Dear Client:

We would like to remind you to make arrangements for us to receive your 2020 tax information as soon as possible in order that we can complete your 2020 tax returns in a timely manner.

You can drop your information off at one of our offices, mail it to us, or send it electronically in a ZIP File via our secure "Send Us A File" option on our website at [www.wg-cpa.com](http://www.wg-cpa.com).

We will no longer be providing paper copies of tax returns. The completed tax returns will be provided to you in electronic format thru your secure portal. You will receive an email notifying you that the tax returns have been completed and are available in your portal. Instructions will be included in the email on how to access and download your tax returns for your review.

*Due to Federal & State Regulations, we are required to have you complete our 2020 Fiduciary Questionnaire and sign our 2020 Fiduciary Engagement Letter. Our questionnaire will assist you in assembling your 2020 tax information and provide us with the information needed for us to prepare accurate tax returns. Please review and complete both of these and return them to us.*

The Fiduciary Engagement Letter outlines our services being provided in preparing your 2020 fiduciary tax returns and will also provide you with a better understanding of our services and limitations.

The Questionnaire and Engagement Letter are available on our website at [www.wg-cpa.com](http://www.wg-cpa.com) in the "2020 Tax Returns" tab.

**We will initiate the 2020 year-end tax services after we receive your signed engagement letter and completed questionnaire. We must receive all the information to prepare the tax returns by March 19, 2021 to ensure that your return will be completed by the due date of April 15, 2021**

We appreciate your assistance and look forward to working with you. Please continue visiting our website at [www.wg-cpa.com](http://www.wg-cpa.com) for up-to-date fiduciary and tax planning information, and feel free to contact us with any questions.

Sincerely,



Worthing & Going, P.A.  
Certified Public Accountants

**2020 Fiduciary Tax Return Engagement Letter**

Dear Valued Client:

We want to express our appreciation for this opportunity to work with you. This letter is to confirm and specify the terms of our engagement for the 2020 tax year and to clarify the nature and extent of the tax services we will provide.

Our engagement is limited to performing the following services:

1. Prepare your 2020 federal and state fiduciary income tax returns based upon the information you provide us. This engagement pertains only to the 2020 tax year and our responsibilities do not include preparation of any other tax returns that may be due to any taxing authority. Our engagement will be complete once the tax returns have been electronically filed and accepted by the taxing agency and/or the delivery to you, of any return(s) that need to be paper filed.

If the entity has a financial interest in any foreign accounts, it must electronically file the Fin CEN Report 114, *Report of Foreign Bank and Financial Accounts* ("FBAR."), as required by the U.S. Department of the Treasury. Such filing requirements apply to taxpayers that have direct or indirect control over a foreign or domestic entity with foreign financial accounts, even if the taxpayer does not have foreign account(s).

If the entity fails to disclose the required information to the U.S. Department of the Treasury, the failure to disclose may result in substantial civil and/or criminal penalties. You are responsible for providing us with all the information necessary to prepare the FBAR. **Failure to file can result in penalties ranging from \$10,000 to the greater of \$100,000 or 50% of the account balance...**

We will prepare your returns based upon the information you provide us. It is your responsibility to provide all the information required to prepare your returns. We will provide you with a questionnaire and/or checklist of information required for the returns, and you represent that the information you provide will be accurate and complete to the best of your knowledge. Your use of such forms will assist us in preparing accurate tax returns. We will not audit or otherwise verify the information provided, although we may ask for clarification if the information appears to be incorrect, inconsistent, or incomplete. Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover errors or other irregularities, should any exist. We will inform you of any material errors, fraud or other illegal acts that come to our attention, unless clearly inconsequential. Our responsibility as a tax preparer is limited to the tax period specified above, and does not extend to any later periods of which we are not engaged as tax preparers. **You have the final responsibility for the income tax returns and, therefore, you should review them carefully before signing.**

If, during our work, we discover information that affects your prior-year tax returns, we will make you aware of the facts. However, we cannot be responsible for identifying all items that may affect prior-year returns. If you become aware of such information during the year, please contact us to discuss the best resolution of the issue.

Our fees for tax services will be based upon the time and expertise required to complete the engagement. In certain situations we may request a retainer for our expected fees for the engagement. This retainer will be applied against the final invoice for our services. Any difference between the retainer and our actual fees will be payable upon receipt or refunded. **Our invoices are due and payable upon presentation and payment is expected when your tax returns are completed.**

Amounts not paid within 30 days from the date of the invoice will be subject to a late payment charge of 1.5% per month (18% per year). If, for any reason, the account is turned over to an attorney for collection, an additional charge of 33% will be added to cover collection costs.

If we elect to terminate our services for nonpayment, or for any other reason provided for in this letter, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed your return. You will be obligated to compensate us for all time expended, and to reimburse us for all of our out-of-pocket costs, through the date of termination.

The Internal Revenue Code provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on these penalties, please contact us. You acknowledge that any such understated tax and any imposed interest or penalties are your responsibility and that we have no responsibility in that regard. Because this is an entity whose tax attributes flow through to its partners or members, the penalty for substantial underpayment of tax relating to this entity may be imposed on the partners or members. In our role as a preparer of your tax returns, we will not prepare a return that in our view lacks the appropriate support.

The tax returns may be selected for audit or review by one or more than one taxing authority. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, if you wish to have us represent you during the examination and/or during any appeal, please make that request of us in writing. If we agree to represent you in that regard, such representation will be the subject of, and governed by, a separate engagement letter.

Although we may orally discuss tax issues with you from time to time, such discussions will not constitute advice upon which we intend for you to rely on for any purpose. Rather, any advice upon which we intend for you to rely, and upon which you will rely, will be embodied in a written report or correspondence from us to you, and any such writing will supersede any prior oral representation between the parties on the issue.

Certain communications involving tax advice may be privileged and not subject to disclosure to the IRS. By disclosing the contents of those communications to anyone, or by turning over information about those communications to the government, you (or other employees) may be waiving this privilege. To protect this right to privileged communication, please consult with us or your attorney prior to disclosing any information about our tax advice.

You are responsible for adopting sound accounting policies, for maintaining an adequate and efficient accounting system, for safeguarding assets, for authorizing transactions, for retaining supporting documentation for those transactions, and for devising a system of internal controls that will, among other things, help assure the preparation of proper income tax returns.

We may encounter instances where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. In those instances, we will outline for you each of the reasonable alternative courses of action, including the risks and consequences of each such alternative. In the end, we will adopt, on your behalf, the alternative which you select after having considered the information provided by us. Fiduciary accounting income is determined in accordance with the terms of the governing instrument and the fiduciary's interpretation under local law, which is purely a legal matter. Without disclosure in the return itself of the specific position taken on a given issue, we must have a reasonable belief that it is more likely than not that the position will be held to be the correct position upon examination by taxing authorities. If we do not have that reasonable belief, we must be satisfied that there is at least a reasonable basis for the position, and in such a case the position must be formally disclosed on Form 8275 or 8275-R, which form would be filed as part of the return. If we do not believe there is a reasonable basis for the position, either the position cannot be taken or we cannot sign the return. In order for us to make these determinations, we must rely on the accuracy and completeness of the relevant information you provide to us, and, in the event we and/or you are assessed penalties due to our reliance on inaccurate, incomplete, or misleading information you supplied to us (with or without your knowledge or intent), you will indemnify us, defend us and hold us harmless as to those penalties.

We can also provide you with interim and year-end tax planning services on issues that you specifically bring to our attention in writing. Our ability to provide you with appropriate guidance on such issues will be entirely dependent on the timeliness, accuracy, and completeness of the relevant information bearing on the issue which we will rely on you to provide to us.

You should retain all the documents, canceled checks and other data that form the basis of income and deductions for seven years. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. It is our policy to retain engagement documentation for a period of seven years, after which time we will commence the process of destroying the contents of our engagement files. To the extent we accumulate any of your original records during the engagement; those documents will be returned to you promptly upon completion of the engagement. The balance of our engagement file, other than a copy of your income tax return, which we will provide to you at the conclusion of the engagement, is our property, and we will provide copies of such documents at our discretion, and we may ask to be compensated for any time and costs associated with the effort.

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.

We use outside IT service providers to monitor our computer systems. We also use outside third party service providers for computer software and processing. We have confidentiality agreements with these providers and are responsible for all work performed. You authorize us to use such outside service providers.

We periodically send out letters, e-mails, and newsletters with information that we believe may be useful to you. The information may be related to taxes, wealth management, mortgage and other economic matters. You authorize us to send you such information from time to time.

In the event we are required to respond to a subpoena, court order or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our hourly rates, as set forth above, for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard.

In the event that we are or may be obligated to pay any cost, settlement, judgment, fine, penalty, or similar award or sanction as a result of a claim, investigation, or other proceeding instituted by any third party, and if such obligation is or may be a direct or indirect result of any inaccurate, incomplete, or misleading information that you provide to us during the course of this engagement (with or without your knowledge or intent), you agree to indemnify us, defend us (with counsel of our choosing), and hold us harmless as against such obligation.

In the event of a dispute related in any way to our services, our firm and you agree to discuss the dispute and, if necessary, to promptly mediate in a good faith effort to resolve. We will agree on a mediator, but if we cannot, either of us may apply to a court having personal jurisdiction over the parties for appointment of a mediator. We will share the mediator's fees and expenses equally, but otherwise will bear our own attorney's fees and mediation cost. Participation in such mediation shall be a condition to either of us initiating litigation. In order to allow time for the mediation, any applicable statute of limitations shall be tolled for a period not to exceed 120 days from the date either of us first requests in writing to mediate the dispute. The mediation shall be confidential in all respects, as allowed or required by law, except our final settlement positions at mediation shall be admissible in litigation solely to determine the prevailing party's identity for purposes of the award of attorney's fees. Any litigation arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within one year from the completion of the engagement, notwithstanding any statutory provision to the contrary. In the event of litigation brought against us, any judgment you obtain shall be limited in amount and shall not exceed the amount of the fee charged by and paid by you, for the services set forth in the engagement letter.

We have the right to withdraw from this engagement, at our discretion, if you don't provide us with any information we request in a timely manner, refuse to cooperate with our reasonable requests or misinterpret any facts. Our withdrawal will release us from any obligation to complete your return and will constitute completion of our engagement. You agree to compensate us for our time and out-of-pocket expenses through the date of our withdrawal.

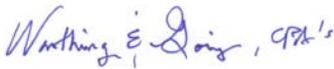
***For calendar year taxpayers we must receive all pertinent information by March 19, 2021, to ensure that your returns will be completed by the due date of April 15, 2021. The timeliness of your cooperation is essential to our ability to complete this engagement. If we have not received all of your information by that date than the tax returns will not be completed by the due date and thus you may be subject to late filing or late payment penalties. If you would like us to prepare an extension of time to file of your behalf, you must contact us directly.***

**We are required to obtain a signed copy of the engagement letter and completed 2020 Year End Fiduciary Client Questionnaire before commencing work on your 2020 tax returns.**

This engagement letter is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties. If, after full consideration and consultation with counsel if so desired, you agree to authorize us to prepare your fiduciary I income tax returns pursuant to the terms set forth above, please execute this letter on the line below designated for your signature, and return the original of this executed letter to this office, along with a completed copy of the 2020 Fiduciary Tax Return Questionnaire and the supporting documentation requested therein. You should keep a copy of this letter for your records.

If the foregoing correctly sets forth your understanding of our tax engagement, please sign this letter in the space below and return it to our office. If you disagree with any of these terms, please notify us immediately. By signing below, you are agreeing with the terms of this engagement, and you are also signing that you have read and accurately completed our 2019 Year End Client Questionnaire to the best of your knowledge.

Sincerely,



Worthing & Going, P.A.  
Certified Public Accountants

AGREED TO AND ACCEPTED:

The foregoing is in accordance with my understanding of your engagement to provide tax services. The terms described in this letter are acceptable and are hereby agreed to:

\_\_\_\_\_  
Responsible Party's Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Responsible Party's Name (please print)

\_\_\_\_\_  
Date

**2020 FIDUCIARY CLIENT QUESTIONNAIRE**

We cannot begin our work on the tax returns until we receive this completed Questionnaire and the signed Engagement Letter. The accuracy of the tax returns is dependent upon us receiving all of the requested information. If any question is left blank, the answer is assumed to be either "No" or "\$0".

**If you are sending us documents via the "Send us a File" feature on our website, please be sure to utilize a "Zip File". See our website for instructions on how to use the "Send us a File" feature and how to utilize a "Zip File".**

FIDUCIARY INFORMATION	
Trust/Estate Name: _____	
Address: _____	
Personal Rep / Trustee: _____	
Tax Year End, if not December 31: _____	
PRIMARY CONTACT NAME & EMAIL ADDRESS	PRIMARY PHONE #
Name: _____	_____
Email Address: _____	<b>Preferred Method of Contact:</b> (Please check one)
<b>IMPORTANT INFORMATION</b>	Email _____ or Phone _____
<p>We will no longer be providing paper copies of tax returns. The completed tax returns will be provided to you in electronic format thru your secure portal. You will receive an email notifying you that the tax returns have been completed and are available in your portal. Instructions will be included in the email on how to access and download your tax returns for your review.</p> <p>Any original paper documents you sent to us can be picked up at our offices or mailed to you at your request.</p>	

DOCUMENTS
<p>1. <b>If this is the first year we will prepare the tax return(s) please provide the following:</b></p> <ul style="list-style-type: none"> <li>• Will or Trust agreement, including any amendments</li> <li>• Death certificate of decedent</li> <li>• Tax returns for the prior three years, if applicable</li> <li>• Depreciation schedules, if applicable</li> </ul>

## BENEFICIARIES & DISTRIBUTIONS

1. If there have been any changes in beneficiaries please provide the following:

Full Name	Federal ID or Social Security #	Address	Date of Birth

Provide a list of all payments to each of the beneficiaries during the tax year:

\_\_\_\_\_

If there were any distributions made to beneficiaries for the current tax year, but made within 65 days following the year end, please provide a list of these payments:

\_\_\_\_\_

## FOREIGN INCOME

	YES	NO
1. Did you have any interest in, or signature, or other authority over a bank, securities, or other financial account in a foreign country? <u>See the <i>Resources</i> tab on our website for more information.</u>		
2. Were you the grantor, transferor or beneficiary of a foreign trust?		
3. Did you have foreign income, pay any foreign taxes, or file any foreign information reporting or tax return forms? If yes, provide details.		

## IRS NOTICES

1. Has the IRS, or any state or local taxing agency, notified you of changes to a prior years tax return? If yes, provide copies of all notices or correspondence received.		
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## INCOME RECEIVED

	YES	NO
1. Did the entity receive on any payments on an installment contract during the year?		
2. Did the entity receive tax-exempt interest or dividends <u>not reported</u> on Forms 1099-INT Or 1099-DIV? If yes, provide details.		
3. During this year, did the entity have any securities that became worthless or loans that became uncollectable? If yes, provide details.		
4. Did the entity surrender any U.S. savings bonds? If yes, provide Form 1099-INT.		
5. Did the entity have any sales tax or other exchange of virtual currencies, or used virtual currencies to pay for goods or services, or are holding them as an investment? Please provide details of the transaction(s).		
6. Rental Income – Did the entity have any rental activity on the property held by the Trust or the Estatee? If yes, please refer to our “Rental Organizer” under the “2020 Tax Returns” tab.		

**WAGES, SALARIES & OTHER EMPLOYEE COMPENSATION****Enclose all Forms W-2**

1. Did the estate or trust receive all or any part of the earnings (salary, wages and any other compensation) of any individual? If yes, provide the details.

**SOCIAL SECURITY BENEFITS RECEIVED****Enclose all Forms 1099 SSA.****INTEREST INCOME & DIVIDEND INCOME****Enclose all Forms 1099-INT, 1099-DIV and statements of tax-exempt interest earned.****PENSION, IRA & ANNUITY INCOME****Enclose all Forms 1099-R****CAPITAL GAINS & LOSSES ON SALES OF ASSETS****Enclose all Forms 1099-B along with the supplemental year end brokerage statement showing the gain/loss information) and Forms 1099-S with any settlement statements (HUD-1) for the sale of any real estate.****Enter any sales of any assets NOT reported on Forms 1099-B and 1099-S:**

Description	Date Acquired	Date Sold	Sale Proceeds	Cost or Basis	Gain (Loss)

**DEDUCTIONS****MORTGAGE INTEREST EXPENSE****Enclosed all Forms 1098**

TAXES	Amount
State and local income tax payments made this year for prior year(s).	
Real estate taxes:	
Other taxes (itemize):	

**CHARITABLE CONTRIBUTIONS**

Cash contributions, for which you have receipts, canceled checks, etc. NOTE: You need to have written acknowledgment from any charity to which you made an individual donation of \$250 or more during the year.

Organization	Amount	Organization	Amount

**MISCELLANEOUS EXPENSES**

Description	Amount	Description	Amount
Income tax preparation fees		Investment Expenses	
Legal fees (provide details)		Other Expenses:	
Trustee Fees		Other expenses:	