

**Parkers Prairie Tax Service
PO BOX 53
Parkers Prairie, MN 56361
218-338-6078**

Dear _____

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 2016 federal and state income tax returns from information which you will furnish to 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 will furnish you with questionnaires and worksheets to guide you in gathering the necessary information. Your use of such forms will assist in keeping the fee to a minimum.

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. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations and/or irregularities, should any exist. We will render such accounting and bookkeeping assistance as determined to be necessary for preparation of the income tax returns.

The law provides 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 by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, we will be available upon request to represent you and will render additional invoices for the time and expenses incurred. We reserve the right to suspend our services or to withdraw from this engagement in the event that any of our invoices are deemed delinquent. In the event that any collection action is required to collect unpaid balances due us, you agree to reimburse us for our costs of collection, including attorneys' fees. 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 our report. 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.

Our fee for these services will be based upon the amount of time required at standard billing rates plus out-of-pocket expenses. **All invoices are due and payable upon presentation.**

The preparation of this return is only for your income tax purposes only. It is not intended for any other use. We do not disclose any non-public personal information about our customers or former customers to anyone, except as instructed to do so by such customers or as required by law. We restrict access to non-public personal information to those professionals and we maintain physical, electronic, and procedural safeguards to guard your non-public personal information.

If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter in the space indicated and return it to our office. However, if there are other tax returns you expect us to prepare, please inform us by noting so at the end of the return copy of this letter.

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

Very truly yours,
Parkers Prairie Tax Service

Accepted By: _____
Date: _____

Questions

Please check the appropriate box and include all necessary details and documentation.

Personal Information

- | | No | Yes |
|---|--------------------------|--------------------------|
| Did your marital status change during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, explain: _____ | | |
| Did your address change from last year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Can you be claimed as a dependent by another taxpayer? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you change any bank accounts, or did routing transit numbers (RTN) and/or bank account number change for existing bank accounts that have been used to direct deposit (or direct debit) funds from (or to) the IRS or other taxing authority during the tax year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive an Identity Protection PIN (IP PIN) from the IRS or have you been a victim of identity theft? If yes, attach the IRS letter. | <input type="checkbox"/> | <input type="checkbox"/> |

Dependent Information

- | | No | Yes |
|--|--------------------------|--------------------------|
| Were there any changes in dependents from the prior year? | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, explain: _____ | | |
| Do you have any children under age 19 or a full-time student under age 24 with unearned income in excess of \$2,100? | <input type="checkbox"/> | <input type="checkbox"/> |
| Do you have dependents who must file a tax return? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you provide over half the support for any other person(s) other than your dependent children during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you pay for child care while you worked, looked for work, or while a full-time student? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you pay any expenses related to the adoption of a child during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| If you are divorced or separated with child(ren), do you have a divorce decree or other form of separation agreement which establishes custodial responsibilities? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did any dependents receive an Identity Protection PIN (IP PIN) from the IRS or have they been a victim of identity theft? If yes, attach the IRS letter. | <input type="checkbox"/> | <input type="checkbox"/> |

Purchases, Sales and Debt Information

- | | No | Yes |
|---|--------------------------|--------------------------|
| Did you start a new business or purchase rental property during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you sell, exchange, or purchase any assets used in your trade or business? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you acquire a new or additional interest in a partnership or S corporation? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you sell, exchange, or purchase any real estate during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you purchase or sell a principal residence during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you foreclose or abandon a principal residence or real property during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you acquire or dispose of any stock during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you take out a home equity loan this year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you refinance a principal residence or second home this year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you sell an existing business, rental, or other property this year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you lend money with the understanding of repayment and this year it became totally uncollectable? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you have any debts canceled or forgiven this year, such as a home mortgage or student loan(s)? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you purchase a qualified plug-in electric drive vehicle or qualified fuel cell vehicle this year? | <input type="checkbox"/> | <input type="checkbox"/> |

Income Information

- | | No | Yes |
|---|--------------------------|--------------------------|
| Did you have any foreign income or pay any foreign taxes during the year, directly or indirectly, such as from investment accounts, partnerships or a foreign employer? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive any income from property sold prior to this year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive any unemployment benefits during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive any disability income during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive tip income not reported to your employer this year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did any of your life insurance policies mature, or did you surrender any policies? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive any awards, prizes, hobby income, gambling or lottery winnings? | <input type="checkbox"/> | <input type="checkbox"/> |
| Do you expect a large fluctuation in income, deductions, or withholding next year? | <input type="checkbox"/> | <input type="checkbox"/> |

Retirement Information

- | | No | Yes |
|---|--------------------------|--------------------------|
| Are you an active participant in a pension or retirement plan? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive any Social Security benefits during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you make any withdrawals from an IRA, Roth, myRA, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive any lump-sum payments from a pension, profit sharing or 401(k) plan? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you make any contributions to an IRA, Roth, myRA, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan? | <input type="checkbox"/> | <input type="checkbox"/> |

Education Information

- | | No | Yes |
|---|--------------------------|--------------------------|
| Did you, your spouse, or your dependents attend a post-secondary school during the year, or plan to attend one in the coming year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you have any educational expenses during the year on behalf of yourself, your spouse, or a dependent? If yes, attach any Form(s) 1098-T and receipts for qualified tuition and related expenses | <input type="checkbox"/> | <input type="checkbox"/> |
| Did anyone in your family receive a scholarship of any kind during the year? If yes, were any of the scholarship funds used for expenses other than tuition, such as room and board? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you make any withdrawals from an education savings or 529 Plan account? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you make any contributions to an education savings or 529 Plan account? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you pay any student loan interest this year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you cash any Series EE or I U.S. Savings bonds issued after 1989? | <input type="checkbox"/> | <input type="checkbox"/> |
| Would you like a worksheet to aid in the completion of a Free Application for Federal Student Aid (FAFSA) with the U.S. Department of Education? If yes, for what school year? _____ | <input type="checkbox"/> | <input type="checkbox"/> |

Health Care Information

- | | No | Yes |
|--|--------------------------|--------------------------|
| Did you have qualifying health care coverage, such as employer-sponsored coverage or government-sponsored coverage (i.e. Medicare/Medicaid) for your family? "Your family" for health care coverage refers to you, your spouse if filing jointly, and anyone you can claim as a dependent. If yes, attach any Form(s) 1095-B and/or 1095-C you received. | <input type="checkbox"/> | <input type="checkbox"/> |
| Did anyone in your family qualify for an exemption from the health care coverage mandate? Examples of exemptions include (but are not limited to) certain non-citizens, members of a health care sharing ministry, members of Federally-recognized Indian tribes, and exemptions requested from the Marketplace. If yes, attach the Exemption Certificate Number (ECN) or type of exemption. | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you enroll for lower cost Marketplace Coverage through healthcare.gov under the Affordable Care Act? If yes, attach any Form(s) 1095-A you received. | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you enroll for lower cost Marketplace Coverage through healthcare.gov under the Affordable Care Act and share a policy with anyone who is not included in your family? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you make any contributions to a Health savings account (HSA) or Archer MSA? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive any distributions from a Health savings account (HSA), Archer MSA, or Medicare Advantage MSA this year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you pay long-term care premiums for yourself or your family? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you make any contributions to an ABLE (Achieving a Better Life Experience) account? If yes, attach any Form(s) 5498-QA you received. | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive any withdrawals from an ABLE (Achieving a Better Life Experience) account? If yes, attach any Form(s) 1099-QA you received. | <input type="checkbox"/> | <input type="checkbox"/> |
| If you are a business owner, did you pay health insurance premiums for your employees this year? | <input type="checkbox"/> | <input type="checkbox"/> |

Itemized Deduction Information

- | | No | Yes |
|--|--------------------------|--------------------------|
| Did you incur a casualty or theft loss or any condemnation awards during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you pay out-of-pocket medical expenses (Co-pays, prescription drugs, etc.)? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you make any cash or noncash charitable contributions (clothes, furniture, etc.)? If yes, please provide evidence such as a receipt from the donee organization, a canceled check, or record of payment, to substantiate all contributions made. | <input type="checkbox"/> | <input type="checkbox"/> |

- | | | |
|---|--------------------------|--------------------------|
| Did you donate a vehicle or boat during the year? If yes, attach Form 1098-C or other written acknowledgement from the donee organization. | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you pay real estate taxes for your primary home and/or second home? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you pay any mortgage interest on an existing home loan? If yes, attach any Form(s) 1098 you received. | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you incur interest expenses associated with any investment accounts you held? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you have an expense account or allowance during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you use your car on the job, for other than commuting? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you work out of town for part of the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you have any expenses related to seeking a new job during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you make any major purchases during the year (cars, boats, etc.)? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you make any out-of-state purchases (by telephone, internet, mail, or in person) for which the seller did not collect state sales or use tax? | <input type="checkbox"/> | <input type="checkbox"/> |

Miscellaneous Information

- | | No | Yes |
|--|--------------------------|--------------------------|
| Did you make gifts of more than \$14,000 to any individual? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you utilize an area of your home for business purposes? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you engage in any bartering transactions? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you retire or change jobs this year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you incur moving costs because of a job change? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you pay any individual as a household employee during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you make energy efficient improvements to your main home this year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive a distribution from, or were you a grantor or transferor for a foreign trust? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you have a financial interest in or signature authority over a financial account such as a bank account, securities account, or brokerage account, located in a foreign country? | <input type="checkbox"/> | <input type="checkbox"/> |
| Do you have any foreign financial accounts, foreign financial assets, or hold interest in a foreign entity? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive correspondence from the State or the IRS? | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, explain: _____ | | |
| Do you have previous years of tax returns that are either unfiled or filed with unpaid balances due? | <input type="checkbox"/> | <input type="checkbox"/> |
| Do you want to donate to the MN WILDLIFE CHECKOFF ? If you check yes, it WILL change your tax or reduce your refund. \$ _____ | | <input type="checkbox"/> |
| <input type="checkbox"/> | | |
| Do you want to designate \$3 to the Presidential Election Campaign Fund? If you check yes, it will not change your tax or reduce your refund. | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive the FIRST TIME HOMEBUYER CREDIT IN 2008 , and are paying back \$500 per year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Where you a resident of another state or part-year resident of MN? Need Months | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive welfare, VA benefits, or any other nontaxable income? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive a property tax refund last year? If yes amount received \$ _____ | | <input type="checkbox"/> |
| <input type="checkbox"/> | | |
| K-12 Education Expenses? Fine arts, music, books, school supplies, equipment. | <input type="checkbox"/> | <input type="checkbox"/> |
| Do you receive a military retirement pay (including pensions)? | <input type="checkbox"/> | <input type="checkbox"/> |

Signature: _____ Date: _____

Contact Phone Number: _____

Is this: Cell or Home / Do you Texted? _____

Contact Email: _____

Further Notes or Questions: _____