

Annual Client Information

Due to IRS regulation, you will be asked to complete all information annually.

COMPLETE THE FOLLOWING INFORMATION: Please fill in names as they appear on the social security cards.

Primary Taxpayer Name _____ SSN _____ Birthdate _____

Occupation: _____ Email Address: _____

***Can we contact you via your email with questions, for newsletters or other business related information? Yes / No

Spouse Name _____ SSN _____ Birthdate _____

Occupation _____ Email Address: _____

***Can we contact you via your email with questions, for newsletters or other business related information? Yes / No

Street Address _____ School Dist _____

City, State & Zip _____ Home Phone _____

Taxpayer Cell Phone _____ Spouse Cell Phone _____

DID YOU MOVE DURING THE YEAR? ____NO IF YES, DATE OF MOVE? _____

Prior Address _____

Can you be claimed as a dependent by another taxpayer? If yes, by whom: _____

How do you want the copy of your tax return given to you? Paper Portal Thumb drive

If you owe taxes or need to make estimated tax payments during the year, how do you make those payments?

_____ I will write a check and want payment vouchers and envelopes provided.

_____ I will pay electronically and DO NOT want payment vouchers or envelopes provided.

****There is also the option of having payments made, on a date of your choosing, within the tax return. There is no additional charge for this service.

If you are a new client, how did you find out about us? _____

If you have a refund, do you want: Check Mailed OR Direct Deposit

If Deposit, Bank Name _____ Checking OR Savings

Routing # _____ Acct # _____

Please provide a voided check if we do not have one on file for verification purposes.

NEW: Account MUST match taxpayer's name or the direct deposit will not go through.

I have reviewed the above and verify, to the best of my knowledge, all information is true and correct.

_____ Date _____

Signature of Person Completing this Form.

Annual Questionnaire

Tax Year _____ Client Names _____ Date _____
Time _____ Drop Off / Interview

Presidential Campaign Fund Donation: Yes / No (Circle the Correct Answer as It Relates to You For Each Question)

Ohio Resident: Full Year IF Part Year Other State _____ Dates Out of State: _____

City Tax Returns: No / IF YES City Name _____
If Moved – List City Name & Dates _____

School Tax Returns Yes / No School Name _____
If Moved – List City Name & Dates _____

Did You have wages (Form W-2) If yes, how many jobs did you have? Yes / No # of Jobs?

Did you change jobs in 2020? Yes / No

Did you earn any wages from tips, gambling, lottery, prizes, jury duty, royalties or other? Explain:

Marital Status: Single / Married / Divorced / Separated / Widow

Did your Marital Status change since last year? Yes / No

Did you pay or receive alimony in 2020? Yes / No

Are you a member of the military? Active / Retired

Did you make any out of state online purchases where Ohio sales tax was not collected? Yes / No

If yes, what was the dollar amount of the purchases? _____

Due to new IRS Due Diligence Requirements, Head of Household filing status will require additional questions and documentation. We have an additional document that we must complete for this filing.

All income is reportable to IRS.

This includes, but is not limited to, things like hobby income, part-time job income, side business income, rental income and small farm income.

Did you receive a stimulus payment? Yes / No Verification page printed by:

Did you or your spouse receive Unemployment Compensation? Yes / No YOU MUST HAVE FORM 1099G

*This form can be found on the unemployment portal

Do you have any other income that we need to report? Yes / No

This includes, Social Security, winnings from gambling, alimony and separate maintenance payments.

If yes, please explain _____

Healthcare:

Are either you or your spouse legally blind? Yes / No

Did you have health insurance for you, your spouse, and all your dependents for the entire year? Yes / No

Did you purchase health insurance through a public exchange? I.E. The Marketplace? Yes / No

Did you pay any long-term health care premiums (nursing home insurance premiums) for yourself or your spouse? Yes / No

If yes, provide amount(s) Taxpayer _____ Spouse _____

Do you have a Health Savings Account (HAS)? (Forms 5498-SA, W-2 with code W in box 12) Yes / No

Please answer all questions to the best of your knowledge:

- Did you have educator expenses for supplies? Yes / No
- Did you begin or finalize a bankruptcy? Yes / No
- Did you purchase and install energy-efficient home items? (Windows, furnace, insulation) Yes / No
- Receive the First Time Homebuyers Credit in 2008? Yes / No
- Were you a citizen of or lived in a foreign country? Yes / No
- Do you own or have financial interest in a foreign bank or financial account? Yes / No
- Did you, or will you contribute any money to an IRA for 2020? Traditional IRA Roth IRA
- Did you roll over any amounts from a retirement account in 2020? Yes / No
- Did you sell or transfer any stock or sell rental or investment property? Yes / No
- Did you receive any income from an installment sale? Yes / No
- Did you have any investments become worthless or were you a victim of investment theft in 2020? Yes / No
- Were you granted, or did you exercise, any employee stock options during 2020? Yes / No
- Did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency? Yes / No
- Did you pay any interest on a loan for a boat or RV that has living quarters? Yes / No
- Did you pay sales taxes on a major purchase in 2020, such as a vehicle, boat, or home? Yes / No
- Did you make charitable contributions in 2020? Yes / No
- Did you receive income from a sharing/gig economy activity (e.g. Airbnb, Uber, etc.) Yes / No
- Do you own a business or an interest in a partnership, corporation, LLC, or farming activities? Yes / No
- Did you purchase or sell a home during 2020? Yes / No
- Did you refinance a mortgage or take a home equity loan? Yes / No
- Did you use any mortgage loan proceeds for a purpose of than to buy, build, or improve your home? Yes / No

Do you currently have any of the following?

	<u>Taxpayer</u>	<u>Spouse</u>	<u>I would like More Information</u>
Life Insurance	Yes / No	Yes / No	Yes / No
Durable Power of Attorney	Yes / No	Yes / No	Yes / No
Medical Power of Attorney	Yes / No	Yes / No	Yes / No
Living Will	Yes / No	Yes / No	Yes / No
Regular Will	Yes / No	Yes / No	Yes / No
Retirement Accounts	Yes / No	Yes / No	Yes / No
Living Trust	Yes / No	Yes / No	Yes / No
Stocks	Yes / No	Yes / No	Yes / No
Individual Retirement Accounts (IRA):			
Roth IRA	Yes / No	Yes / No	Yes / No
Traditional IRA	Yes / No	Yes / No	Yes / No
Bonds	Yes / No	Yes / No	Yes / No
Family Attorney	Yes / No	Yes / No	Yes / No

If you can save tax dollars by funding a retirement account or Health Savings Account (HSA) account do you want us to contact you before finalizing your return? Yes / No

If Rainbow Accounting Services, LLC is unable to contact me after multiple attempts through phone, email or US mail, they have permission to contact the following individual in an attempt to reach me. ****Please note, this will not be something that is used except in the most dire of circumstances.**

Contact's Information:

Name: _____ Relationship _____
Phone: _____

Name: _____ Relationship _____
Phone: _____

By signing the bottom of this questionnaire you are verifying that you have given the Rainbow Accounting staff ALL of your income from ALL sources for 2020.

I/We have reviewed this information and the answers and all handwritten information on this checklist is correct to the best of my/our knowledge.

Signed: _____ Date: _____
Taxpayer

_____ Date: _____
Spouse

Assurance Option Package Choices For Individual Returns

Same Assurance Plan as Past Years - More Options Now. Everyone must sign their specific choice.

Individual Bronze Tax Package	Individual Silver Tax Package	Individual Gold Tax Package
Completion of all personal income tax returns.	Completion of all personal income tax returns.	Completion of all personal income tax returns.
Dependent's income tax returns prepared at a discounted rate.	Dependent's income tax returns prepared at a discounted rate.	Dependent's income tax returns prepared at a discounted rate.
Estimated tax payments calculated with completion of tax return only.	Recalculation of estimated tax payments based on client input one time. (Not a formal projection.)	Recalculation of estimated tax payments based on client input, including formal projections (limit of 3 per year).
Basic phone or email questions not requiring research or calculations.	Basic phone or email questions not requiring research or calculations.	Basic phone or email questions not requiring research or calculations.
Emails and phone calls returned within three business days.	Emails and phone calls returned within two business days.	Emails and phone calls returned within one business day.
Two 15-minute scheduled phone appointments or one 30-minute of scheduled phone or office appointment time.	Up to one hour of scheduled phone or office appointments. A formal projection can be part of this time.	Up to two hours of scheduled phone or office appointments. Formal projections can be part of this time.
Review and explain any notices received by any taxing agencies. Explanation only but no responding to any notices.	Reply to any notices, such as CP-2000, income matching letters (i.e. unreported income) or verification notices from ANY taxing agency.	Reply to any notices, such as CP-2000, income matching letters (i.e. unreported income) or verification notices from ANY taxing agency.
	**Recalculation of correct tax with missing income may be an extra charge depending on specifics.	**Recalculation of correct tax with missing income may be an extra charge depending on specifics.
	**Does not include Office or Field Audits.	Amended tax returns (includes base amendment fee but not fees for new or additional forms.
	Includes up to two hours of representation with any taxing agencies. This will include assisting with Installment Agreements.	Includes up to 6 hours of representation work including new tax calculations for missing income, Exams, Appeals or Collections (over a \$600 value alone).
Cost: Included in Tax Return Fees	Cost: Regular Tax Return Fee + \$35	Cost: Regular Tax Return Fee + \$75

Taxpayer Signature

Taxpayer Signature

Taxpayer Signature

Spouse Signature

Spouse Signature

Spouse Signature

Our Representation Fees are \$100 per hour. Please keep this in mind as you select your option.

TAX PREPARATION ENGAGEMENT LETTER

Rainbow Accounting Services, LLC

{Purpose} This letter describes the services we propose to provide to you this year to help you meet your tax filing obligations for all **2020 tax year returns**. The letter describes the scope of our services and the estimated fees we will charge. If you wish us to provide added services, please ask. Any such services we might provide will be covered by a separate engagement letter.

{Scope} We will prepare your individual Federal and State residence income tax returns based on the information that you provide. We will also prepare other State returns as needed to properly report income originating in those States. We will file your return electronically (if eligible). We will also prepare any local and estimated tax returns (if needed). If we find inconsistencies in any information you provide, we will check with you; however, we do not audit or verify from source documents the information you provide.

Our work will be completed in accordance with appropriate income tax laws and regulations. We will use our judgment in resolving questions when the law is unclear or where there are conflicts between tax authorities; interpretations of the law and other supportable positions. Please inform us if you prefer that we not make such judgments in your favor.

{Client's Responsibility} You are responsible for providing our firm with all information necessary to prepare all applicable federal, state, city and/or school district tax returns as well as informing us of other applicable states. By signing this form you represent that the information you are supplying to us is accurate and complete and that all items on the return, including but not limited to your expenses for meals, entertainment, travel, business gifts, charitable contributions, inventory, receipts for capital assets, stock and mutual fund documentation, dues and vehicle use are supported by records as required by law. We do not and cannot audit or review this information. We may ask you to clarify some items or may request additional information. We will rely on any documentation you supply that is from third parties such as W2-s, 1099's, K-1's, 1098's and W2-G's. If we have to classify and organize your information to prepare this return, it will be based on the description on your deposit slips, checks or other information you have furnished. **Excessive time spent on our part to organize your income and expenses may result in additional compilation charges.** Should we not have your full cooperation in gathering together all of this needed information and documentation in a timely fashion, or to otherwise cooperate with us, we reserve the right to disengage from this engagement by sending you written notice to that effect.

As required by law, all taxpayers that have ownership, signature authority or a financial interest in at least one financial account outside of the United States, are required to file FinCEN Form 114 **IF** the aggregate value of all foreign accounts exceeded \$10,000 at any time during the calendar year. This form, which is due annually by April 15th, is not part of the income tax return. While Rainbow Accounting Services, LLC will be happy to complete this form for you under a separate engagement agreement, we will not be held liable for failure to file of this return within the scope of this tax engagement agreement.

It is your responsibility to maintain the documentation necessary to support the data used in preparing your tax returns for a minimum of 7 years. This includes but is not limited to the auto (mileage log), travel, entertainment, and related expenses and the required documents to support charitable contributions. If you have any questions as to the type of records required, please ask us for advice in that regard. Documentation to support the tax return is required in the event of potential examination by any government or regulatory agencies.

Tax returns are subject to audit by the tax authorities. If your returns are audited, you may be required to furnish documents to the tax authorities to substantiate information you provided and that we reported on your return. Rainbow Accounting offers an Assurance Program with various options. As part of the Assurance Program, you can choose an option that will allow us to help you answer correspondence from the taxing authorities. If you happen to receive any correspondence from a government agency, you must forward it to us before we can assist you with any response to it. This may require you to designate us as your agent by a Limited Power of Attorney to permit a quicker, more direct resolution of the problem. If you choose not to use the Assurance Program, additional fees may be invoiced for these services.

{Confidentiality} Under the law, some communications between a client and an enrolled agent are privileged and not subject to disclosure to the IRS. However, any information that you furnish to us for the purpose of preparing your tax returns is not protected by this privilege and consequently may be discovered by the IRS.

{Privacy} A rule adopted by the Federal Trade Commission in 2000, prohibits us from disclosing non-public information about clients to nonaffiliated third parties and requires us to annually disclose our policy to all clients. This is our policy:

We collect certain information about you, but only when it is provided by you or is obtained with your permission. As a general rule, we do not disclose non-public personal information about our clients to anyone. To the extent permitted by law, however, certain non-public information about you may be disclosed to comply with a validly issued and enforceable subpoena or summons, or to allow us to render appropriate services to you. Except as otherwise described in this notice, we restrict access to non-public information about you to employees of our company and other parties who must use that information to provide services to you. We also maintain physical, electronic, and procedural safeguards in compliance with applicable laws and regulations to guard your personal information from unauthorized access, alteration, or premature destruction.

{Fees} Our fees for tax preparation are based on the forms required to complete your return. Electronic filing is free to all eligible clients. Dividend and/or interest income from numerous sources and numerous capital gain/loss transactions can increase these estimates. Also, if we must make repeated requests for information, we may charge additional fees. In the event that we prepare your taxes and you later receive additional tax papers (1099's / W-2's etc.) that cause us to file an amendment to your return you will be charged a minimum of \$135 for the Federal 1040X, provided there is no fault of Rainbow Accounting Services, LLC.

If issues arise that require significant time for research, we charge an additional \$95 per hour. However, we will discuss the issue(s) with you to obtain your advance approval for this extra work.

Fees are due and payable when we present the returns to you. No returns will be electronically filed before payment is received in full for our services. All returned checks will be charged a \$50 return check fee. Any past due amounts will be charged a 2% per month (24% annual) interest rate after 30 days.

{Limited Liability} Our liability to you for the services described in this letter is limited to the fees you pay for those services; however, in the unlikely event we make an error in preparing your return (when you have provided us with complete information and you have timely reviewed your return before signature), we will reimburse you by preparing your next year's tax return at no cost to you.

{Consent for Use} Federal law requires that we notify you that we cannot use, without your consent, your tax return information for purposes other than the preparation and filing of your return. By signing this Engagement letter, you are giving Rainbow Accounting permission to use your name, address, telephone number and email address internally to provide you with newsletters, training opportunities, tax law changes or other pertinent information that may be helpful to you and/or your business. We do not share this information with any business that is not related to Rainbow Accounting Services, LLC. If you **do not** want us to contact you for any reason, whatsoever, you can initial here _____ and we will remove you from any additional contacts.

{Need for Consent} While your financial security is a primary concern for us, Circular 230 regulations will not allow us to release or disclose ANY information or copies of documents to ANYONE other than you. This includes your parents, children, Banks, Mortgage brokers and Financial Planners. We cannot and will not discuss your tax return or any other issue with another party without a Judge's Order. You are provided copies of all tax returns and the original documents provided to our office are returned to you. Additional copies can be obtained for a \$25 reprint fee.

If you believe that your tax return information has been disclosed or used improperly in a manner unauthorized by law or without your permission, you may contact the Treasury Inspector General for Tax Administration (TIGTA) by telephone at 1-800-366-4484 or by email at complaints@tigta.treas.gov.

{Conflict of Interest Waiver} Occasionally we, at Rainbow Accounting Services, LLC., find that we may need to represent a client that shares a common interest with another client thus creating a possible Conflict of Interest between the parties and our company. When these Conflicts of Interest arise we will require both parties to sign a waiver, releasing us from any and all liabilities resulting from said conflict.

{Extension Requests} We DO NOT automatically file tax extensions for clients – you must notify us in writing, email or via fax if you wish us to file an extension. The notification should include your estimate of any balance due with the extension. Extensions are an extension to FILE; NOT AN EXTENSION TO PAY. Failure to pay all taxes by the original April deadline will result in additional interest and penalties. Failure to file an extension may make you subject to various penalties and interest.

In recognition of the relative risks and benefits of this agreement to both the client and the accounting firm, the client and the accounting firm have discussed and have agreed on the fair allocation of risk between them. As such, the client agrees, to the fullest extent permitted by law, to limit the liability of the accounting firm to the client for any and all claims, losses, costs, and damages of any nature whatsoever, so that the total aggregate liability of the accounting firm to the client shall not exceed the accounting firm's total fee for services rendered under this agreement. The client and the accounting firm intend and agree that this limitation apply to any and all liability or cause of action against the accounting firm, however alleged or arising, unless otherwise prohibited by law. Both parties agree that there is a one-year limitation period to bring a claim against us for errors and omissions. The one-year period will begin upon the date of the tax professional's signature on the tax returns covered by this engagement letter.

This engagement terminates upon delivery and filing of your completed tax return(s).

Although we are available at any time to provide you with tax planning advice, we are not obligated to do so unless you specifically request it. Our policy is to put in writing all official tax advice. Therefore, we will not charge you for, nor should you rely upon, any unwritten advice since it may be tentative and not yet fully reviewed.

{Agreement} After reviewing this letter, please sign and date it to confirm your agreement. A file copy for you will be attached to your copy of your tax returns. We appreciate the opportunity to serve you. Do not hesitate to ask your tax professional any questions you may have.

It may be necessary for Rainbow Accounting Services, LLC. to use basic tax information in order for us to communicate through future mailings/emails regarding new tax issues, etc. Should you not want us to do this please advise us immediately.

We truly appreciate the trust that you have put in us and the opportunity to serve you. Please date and sign the enclosed copy of this letter to acknowledge your agreement with and acceptance of your responsibilities and the terms of this engagement. **It is our policy to initiate services after we receive the executed engagement letter.** If any provision of this agreement is declared invalid or unenforceable, no other provision of this agreement is affected and all other provisions remain in full force and effect.

(Taxpayer Signature)

(Date)

(Spouse Signature)

(Date)