



KBA Peterson Associates, Inc.
2901 Bemidji Avenue North
Bemidji, Minnesota 56601-4316

Phone 218-444-2727
Fax 218-444-2728

Dear Client:

This letter is to confirm our understanding of the terms of our tax services engagement and to clarify the nature and extent of the services we will provide. Completion of this letter and the accompanying checklist are required for preparation of your income tax return. In addition to the checklist, a detailed organizer is available upon request, if one is not included with this letter.

We will prepare individual federal and state income tax returns for 2017. We will not audit or verify the information you give us, however, we may ask for clarification of some of the information. Our work, in connection with the preparation of your income tax return, is not designed to discover deficiencies or other irregularities, should any exist.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You represent that the information you are supplying to us is accurate and complete to the best of your knowledge and that your expenses including meals, entertainment, travel, charitable contributions, and vehicle use are deductible and supported by tax records as required by law. You have final responsibility for the income tax returns and, therefore, you should review them carefully before you sign and file them.

We want to ensure that you receive all possible tax benefits for credits or special deductions for which you may be eligible. If you qualify for these credits or deductions, you will provide us with the information necessary to claim them. A checklist is provided on the alternate side to help identify credits and deductions you may be eligible to receive. If you have questions about whether you qualify for credits or special deductions, please contact us.

We will use professional judgment in resolving issues where tax law is unclear, or when conflicts exist between applicable interpretations of the law and other supportable positions. Unless otherwise instructed by you, these issues will be resolved in your favor whenever possible.

Your returns may be selected for review by the taxing authorities. 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. If you engage our firm to assist you or correspond with the taxing authorities during a review, we will render additional invoices for the time and expenses involved.

In order to ensure accurate and timely filing by April 17, 2018, returns submitted to us for preparation after March 23, 2018, will be extended at our discretion. Please contact us if you would like us to prepare an application for extension of time to file your income tax returns. We will need information from you to estimate your 2017 income tax liability to prepare the extension application. If an extension of time to file 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 payment penalties.

If the terms outlined are in accordance with your understanding of our engagement, please sign in the space provided below and return this letter to us. We appreciate the opportunity to provide services to you.

Sincerely,

KBA Peterson Associates, Inc.

The terms outlined above are in accordance with my understanding and are hereby agreed to. I have completed the checklist on the reverse side of this page and all information is complete to the best of my knowledge.

Signature: _____ Date: _____

Signature: _____ Date: _____