KBA

CERTIFIED PUBLIC ACCOUNTANTS

Dear Client:

The purpose of this letter is to confirm the terms of our engagement and the services we will provide. Completion of this letter and the accompanying checklist are required for preparation of your income tax return. This firm is responsible for preparing only the returns listed below:

- Prepare the 2024 federal and Minnesota income tax returns with supporting schedules.

We will use professional judgment in preparing your tax returns. We will use our professional judgement and expertise to assist you given the guidance currently in effect at the time the services are rendered. In accordance with our professional standards, we will follow whatever position you request, as long as it is consistent with the codes, regulations, and interpretations in effect. Due to continuous changes in tax law, subsequent developments issued by tax authorities may affect your returns. If a taxing authority should contest a position taken on your return, we assume no liability for any such assessment of additional tax, penalties, or interest.

You are confirming that you will furnish us with all the information required for preparing the returns. We will not audit or verify the data you submit, although we may ask you to clarify it or furnish us with additional information. You should retain all the documents, cancelled checks and records that form the basis of your income and deductions. This information may be necessary to prove the accuracy and completeness of the returns to a taxing authority. Because you have final responsibility, you should carefully review before you sign and file the returns.

Invoices are due and payable upon presentation. Any other services, including tax planning or assistance with taxing authority correspondence, are not included in this engagement and will be billed separately.

Information needed to complete the returns should be submitted to our office by March 21, 2025. Returns may be extended at our discretion, and therefore we encourage you to provide the information to our office as soon as possible to allow adequate time for preparation. If an extension of time is required, any tax estimated to be due must be paid by April 15, 2025, or you may be 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.

Please complete checklist on back.

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**: ________________________

Client Name: ____

KBA Peterson Associates, Inc.
2901 Bemidji Avenue North • Bemidji, Minnesota 56601
Phone (218) 444-2727 • Fax (218) 444-2728

TAX CHECKLIST – *IF YES, PLEASE PROVIDE DOCUMENTION.*

Primary Contact _____________________________ _____________________________ _____________________________________

Name *Phone* *Email*

Other Contact _____________________________ _____________________________ _____________________________________

Name *Phone* *Email*

Preferred Method of Contact ☐ **PHONE** ☐ **EMAIL**

Preferred Method of Receiving Completed Tax Return ☐ **PAPER** ☐ **ONLINE PORTAL**

Preferred Method of Receiving 2025 Tax Checklist/Engagement Letter ☐ **MAIL** ☐ **EMAIL**

YES	NO	
☐	☐	Did your **ADDRESS** change? *If yes, update:* ____
☐	☐	Would you like **DIRECT DEPOSIT** for any refunds you receive? *RECOMMENDED*
		If yes: ☐ I confirm the use of the bank account shown on last year's tax return. **Last 4 digits of bank account** ______
		~~ OR ~~ ☐ Voided OR photocopied check is provided.
☐	☐	Would you like **DIRECT DEBIT PAYMENTS** for tax balances due or estimated payments? *RECOMMENDED*
		If yes: ☐ I confirm the use of the bank account shown on last year's tax return. **Last 4 digits of bank account** ______
		~~ OR ~~ ☐ Voided OR photocopied check is provided.
☐	☐	Did you receive (as a reward, award, or payment for property or services) or sell, exchange, gift, or otherwise dispose of a digital asset (or financial interest in a digital asset)? *Examples of digital assets include Bitcoin and other cryptocurrencies, non-fungible tokens (NFTs) and software code.*
☐	☐	Did you have financial interest in or signature authority over a foreign bank account?
PERSONAL INFORMATION		
☐	☐	Did you enroll in health care coverage through MN Sure? *(Form 1095-A)*
☐	☐	Did your marital status change during the year?
☐	☐	Are you or your spouse legally blind or disabled? If yes: ☐ Blind ☐ Disabled
☐	☐	Were there any changes in dependents from the prior year?
☐	☐	Did you pay for dependent care, including preschool or after school care, while you worked or looked for work?
DEDUCTION INFORMATION		
☐	☐	Did you make any charitable cash contributions? *(documentation)*
☐	☐	Did you make any non-cash (clothing, household goods, etc.) charitable donations? *(documentation)*
☐	☐	Did you make a qualified charitable distribution (QCD) from your required minimum distribution (RMD)? *(statement)*
☐	☐	Did you pay mortgage interest? *(statement)*
☐	☐	Did you pay property (real estate) taxes? *(statement)*
☐	☐	Did you make any contributions to an education savings plan 529 Account? *(statement)*
☐	☐	Did you pay any student loan interest this year? *(Form 1098-E)*
☐	☐	Did you pay for college tuition and books? *(Form 1098-T, receipts)*
☐	☐	Did you pay any K-12 education expenses? *(name, grade level, amounts)*
☐	☐	Did you make any energy efficient improvements to your main home or purchase an electric vehicle this year?
☐	☐	Did contribute to a health savings account (HSA)? *(statement)*
☐	☐	Did you pay long-term care insurance premiums? *(company name, policy number, amount)*
☐	☐	Did you make, or are you interested in making, individual contributions (not through employer) to a Traditional or Roth IRA by April 15, 2025? *(statement)*
MISCELLANEOUS INFORMATION		
☐	☐	Did you sell, exchange, or purchase any real estate or rental property? *(closing statement)*
☐	☐	Did you make any estimated tax payments? *(dates & amounts)*
☐	☐	Did you receive active duty military pay or pension benefits?
☐	☐	Did you pay rent for your residence? *(Certificate of Rent Paid)*
☐	☐	Do you want to designate $3 to the Presidential Election Campaign Fund? *(no party designation)*
☐	☐	Do you want to designate $5 to the State Elections Campaign Fund? *Party?* Taxpayer ________ Spouse ________
☐	☐	Do you want to contribute to the Minnesota Nongame Wildlife Fund? Amount: ________ (*increases tax liability*)
SELF-EMPLOYED (complete if applicable)		
☐	☐	Did you file Form(s) 1099?
☐	☐	Did you utilize an area of your home exclusively for business purposes? (s*quare footage, related expenses)*
☐	☐	Did you make, or are you interested in making, contributions to a SEP IRA, Keogh, or Solo 401(k)? *(statement)*
☐	☐	Is your self-employed business entity an LLC formed through the Secretary of State?