

Dougherty-Mirarchi LLC
135 Commons Ct
Chadds Ford, PA 19317
610-558-6845

Enclosed is our Engagement Letter and Client Questionnaire. The questionnaire contains questions pertinent to the preparation of your return, and must be signed and returned to us along with the engagement letter and information required to prepare your tax return.

If a Tax Organizer is enclosed we ask that it be completed and submitted along with appropriate documentation. The organizer is designed to help you gather the information needed to prepare your 2023 individual income tax returns. If you did not receive an organizer and would like one, please contact our office.

Please note that you must provide us with a completed and signed Questionnaire and Engagement Letter. If these are not provided, we will be unable to prepare your returns.

In your Tax Organizer, all social security numbers and bank account numbers have been replaced with asterisks (**_**_****) and (****1234) to protect your privacy and personal information. If you need to change or update a social security number or bank account information, please contact this office. Do not indicate the social security number or bank account change on your Tax Organizer. When you receive your completed tax return(s), please review all social security numbers and bank account information for accuracy. **New IRS security standards require us to verify the bank account information you provide before filing your tax return.** Report any discrepancies to this office immediately.

Pricing for preparation and electronic filing of 2023 income tax returns is as follows:

1. \$365.00 for preparation of Federal (\$290.00) and PA State (\$75.00) individual income tax returns. This includes Federal Form 1040, Schedule A and Schedule B and related state forms. Any other forms required to be prepared will incur an additional charge.
2. \$390.00 for preparation of Federal (\$290.00) and Resident State (other than PA- \$100.00) individual income tax returns. This includes Federal Form 1040, Schedule A and Schedule B and related state forms. Any other forms required to be prepared will incur an additional charge.
3. \$100.00 for preparation of additional (non resident) State income tax returns.
4. \$25.00 for preparation of Local individual income tax returns.
5. \$10.00 for electronic signature for completed returns.
6. Appointments, telephone conferences to obtain information and discuss tax issues, along with the preparation of tax projections and estimated tax payments for 2023 will be billed at our standard hourly rates. These rates vary from \$80. to \$225. per hour.
7. \$50.00 charge for additional copies of tax returns.

In order to prepare your returns in an efficient manner, we need you to provide the following documents and information:

- Forms W-2 for wages, salaries and tips.
- All Forms 1099 for interest, dividends, retirement, miscellaneous income, unemployment compensation, nonemployee compensation, Social Security, state or local refunds, gambling winnings, payment card or third party network transactions etc.
- Brokerage statements showing investment transactions for stocks, bonds, digital assets.
- Schedule K-1 showing income from partnerships, S corporations, estates and trusts.
- Statements and receipts supporting qualified educational expenses, deductions or distributions, including any Forms 1098-T, 1098-E, or 1099-Q.
- Statements from U.S. Department of Education supporting federal student loan forgiveness.
- All Forms 1095-A, 1095-B, and/or 1095-C related to health care coverage or the Premium Tax Credit.
- All Forms 1099-QA and/or 5498-QA related to ABLE (Achieving a Better Life Experience) account.
- All Forms 1099-H related to Health Coverage Tax Credit (HCTC) advance payments.
- Statements supporting deductions for mortgage interest (Forms 1098), taxes, and charitable contributions (including any Form 1098-C). NOTE: You must obtain a contemporaneous written acknowledgement for any contribution of \$250 or more.
- Statements supporting the receipt, exchange, sale, use, or any other disposition of a digital asset.
- Copies of closing statements regarding the sale or purchase of real property.
- Legal papers for adoption, divorce, or separation involving custody of your dependent children.
- Six-digit Identity Protection PIN for use during calendar year 2023 (provided by IRS).
- Any tax notices sent to you by the IRS or other taxing authority.
- Copy or listing of estimated federal and/or state tax payments made for 2023. If you are providing a list of payments, please reflect the actual date the payment was made.
- A copy of your income tax return from last two years, if not prepared by this office.

IRS regulations require paid tax preparers who expect to prepare and file 11 or more federal individual, nonresident alien, or trust tax return to file them electronically. To comply with this requirement your return will be electronically filed this year. The benefits of e-filing include a secure way to file tax returns and it provides proof of acceptance that the IRS has accepted your return for processing.

The IRS doesn't *initiate* contact with taxpayers by email, phone, text messages or social media channels to request personal or financial information. This includes requests for PIN numbers, passwords or similar access information for credit cards, banks or other financial accounts. Phishing is a scam typically carried out through unsolicited email and/or websites that pose as legitimate sites and lure unsuspecting victims to provide personal and financial information. If you receive such an email from the IRS, forward the email as is to phishing@irs.gov <<mailto:phishing@irs.gov>>. Please do not respond to the email unless the email request you sent to the IRS has been verified as legitimate. You may also contact our office regarding any correspondence, written or electronic, that you receive from the IRS. Additional information can be found at: <<https://www.irs.gov/privacy-disclosure/report-phishing>>

We will commence preparation and filing of individual returns as of February 10, 2024. Please be advised that if all required information and documentation is received by March 31, 2024 we should be able to either complete your return by the filing due date of April 16, 2024 or prepare an estimate of your tax liability if it is necessary to extend the return.

We have decided to discontinue in person meetings due to the ongoing covid related strains and the need to keep our clients and staff healthy and safe. The last few years have shown us that by obtaining your tax data, preparing the returns and then setting up telephone calls and/or zoom meetings to review them and discuss current year tax related items have proved valuable to our office efficiency.

If you would like to drop off your tax package our office hours are Monday - Friday 9am - 4pm and Saturday 8am - 4pm. We ask that you call prior to drop off so we can arrange for the package to be delivered safely.

Thank you for the cooperation and the opportunity to serve you.

Sincerely,

Lee Anne Dougherty
Dougherty-Mirarchi LLC

**Dougherty-Mirarchi LLC
135 Commons Ct
Chadds Ford, PA 19317
610-558-6845**

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 2023 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 have enclosed either a client questionnaire or a questionnaire and tax organizer for you to complete and return to us. The questionnaire and organizer will guide you in gathering information needed to prepare your return.

Please note that you must provide us with a completed and signed questionnaire, along with a signed copy of this engagement letter. If these are not provided we will be unable to prepare your tax returns.

Your income tax data and completed tax organizer must be received by our office no later than March 31, 2024 in order to meet the unextended filing due date. Any information received after that date may require an extension of time to be filed for your return. If, for any reason, we are unable to complete your income tax returns by their due date you authorize us to prepare and file the required requests for extension.

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. We will discuss tax positions that may increase the risk of exposure to penalties with you before completing preparation of the return.

Your tax returns are subject to examination by the taxing authorities. In the event of an examination, you may be requested to produce documents, records, or other evidence to substantiate the items of income and deduction shown on a tax return. If an examination occurs, we will be available at your request to represent you, however these additional services are not included in our fee for preparation of the returns, and you will be charged for the time and expenses incurred. Our fees for these services are outlined in our cover letter and all invoices are due and payable upon presentation

We will use our judgment in resolving questions in your favor where a tax law is unclear, or where there are conflicts between taxing authorities' interpretations of the law and other supportable positions, if there is a reasonable justification for doing so. We will explain the possible positions that may be taken on your return, and will follow whatever position you request as long as it is consistent with the codes, regulations and interpretations that have been promulgated.

The Internal Revenue Code and regulations impose preparation and disclosure standards with noncompliance penalties on both the preparer of a tax return and on the taxpayer. To avoid exposure to these penalties, it may be necessary in some cases to make certain disclosures to you and/or in the tax return concerning positions taken on the return that do not meet these standards. Accordingly, we will advise you if we identify such a situation, and we will discuss with you those tax positions that may increase the risk of exposure to penalties and any recommended disclosures before completing the preparation of the return. If we conclude that we are obligated to disclose a position and you refuse to permit disclosure, we reserve the right to withdraw from the engagement. Likewise, where we disagree about the obligation to disclose a position, you also have a right to choose another professional to prepare your return. In either event, you agree to compensate us for our services to the date of the withdrawal. Our engagement with you will terminate upon our withdrawal.

IRS regulations related to the disclosure of tax return information require us to obtain written consent from you in the event we need to work with another tax preparer to complete your tax return, or if you request that we submit tax return information to a third party, such as a lender.

If either situation arises, we will prepare the required consent form identifying the intended purpose of the tax disclosure, the recipient and information authorized to be disclosed, along with other mandatory language required by federal regulations, and we will require that you provide us with the signed consent prior to disclosure of the tax 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,

Lee Anne Dougherty
Dougherty-Mirarchi LLC

Accepted By: _____

Date: _____

Questions

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

	Yes	No
Personal Information		
Did your marital status change during the year?	<input type="checkbox"/>	<input type="checkbox"/>
If yes, explain: _____		
Did you live separately from your spouse during the last six months of the year?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a separate decree, instrument, or agreement and are not living in the same household by the end of the year?	<input type="checkbox"/>	<input type="checkbox"/>
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"/>
Do you, your spouse (if applicable), and any dependents have a taxpayer identification number (SSN, ITIN, or ATIN)?	<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 for filing returns in 2023.	<input type="checkbox"/>	<input type="checkbox"/>
Did you reside in or operate a business in a Federally declared disaster area? The Federally declared disaster areas include victims of hurricanes, tropical storms, floods, as well as wildfires and other disaster situations.	<input type="checkbox"/>	<input type="checkbox"/>
COVID-19 Information		
Did you receive State and Local Fiscal Recovery Funds (SLFR) under a program to support those negatively impacted by the COVID-19 pandemic for helping you with your mortgage insurance and/or home purchases, such as funds to pay some or all of the down payment and closing costs associated with your purchase of a home?	<input type="checkbox"/>	<input type="checkbox"/>
Are you a telecommuting employee that was required to "shelter in place" due to local COVID-19 protocols while working in a state that was not your home state?	<input type="checkbox"/>	<input type="checkbox"/>
Dependent Information		
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 \$2,500?	<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"/>
Is there any other person(s) who lived with you more than half the year but not claimed by you last year?	<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 for use during 2023	<input type="checkbox"/>	<input type="checkbox"/>

Yes No

Purchases, Sales and Debt Information

- Did you start a new business or purchase rental property during the year? Yes No
- Did you have ownership interest in any type of business? Yes No
- Did you sell, exchange, or purchase any assets used in your trade or business? Yes No
- Did you acquire a new or additional interest in a partnership or S corporation? Yes No
- Did you sell, exchange, or purchase any real estate during the year? Yes No
- Did you purchase or sell a principal residence during the year? Yes No
- Did you foreclose or abandon a principal residence or real property during the year? Yes No
- Did you acquire or dispose of any stock during the year? Yes No
- Did you take out a home equity loan this year? Yes No
- Did you refinance a principal residence or second home this year? Yes No
- Did you sell an existing business, rental, or other property this year? Yes No
- Did you lend money with the understanding of repayment and this year it became totally uncollectable? Yes No
- Did you have any debts canceled or forgiven this year, such as a home mortgage or student loan(s)? Yes No
- Did you purchase a new or previously owned Clean vehicle this year that is eligible for the new clean vehicle credit? If yes, attach the vehicle statement from the dealer. Yes No

Income Information

- 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? Yes No
- Did you receive any income from property sold prior to this year? Yes No
- Did you receive any unemployment benefits during the year? Yes No
- Did you receive any disability income during the year? Yes No
- Did you receive any Medicaid waiver payments as difficulty of care during the year? Yes No
- Did you receive tip income not reported to your employer this year? Yes No
- Did any of your life insurance policies mature, or did you surrender any policies? Yes No
- Did you receive any awards, prizes, hobby income, gambling or lottery winnings? Yes No
- Did you receive any income considered to be nonemployee compensation? Yes No
- Did you receive a Form 1099-K, 1099-MISC, 1099-NEC, or other income statement for work done in what is commonly referred to as the "gig" economy? Yes No
- Do you expect a large fluctuation in income, deductions, or withholding next year? Yes No
- Did you have any sales or other exchanges of digital assets (including from an airdrop or a hard fork, or used digital assets to pay for goods or services)? Yes No

Retirement Information

- Are you an active participant in a pension or retirement plan? Yes No
- Did you receive any Social Security benefits during the year? Yes No
- Did you make any withdrawals from an IRA, Roth, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan? Yes No
- If yes, were any withdrawals due to a Federally declared disaster? Yes No
- If you received any qualified disaster retirement plan distributions, did you repay any of the distributions in 2023? Yes No
- Did you receive any lump-sum payments from a pension, profit sharing or 401(k) plan? Yes No
- Did you make any contributions to an IRA, Roth, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan? Yes No
- Did you make any qualified charitable distributions (QCD) during the year? Yes No

Education Information

	Yes	No
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?	<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? If yes, were any of these withdrawals rolled over into an ABLE (Achieving a Better Life Experience) 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?	<input type="checkbox"/>	<input type="checkbox"/>

Health Care Information

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.	<input type="checkbox"/>	<input type="checkbox"/>
Did you enroll for lower cost Marketplace Coverage through healthcare.gov under the Affordable Care Act?	<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?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive any withdrawals from an ABLE (Achieving a Better Life Experience) account?	<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

Did you incur a casualty or theft loss or any condemnation awards during the year? If yes, did the loss occur in a Federally declared disaster area?	<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?.	<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?	<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 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"/>

Yes No

Miscellaneous Information

- Did you make gifts of more than \$17,000 to any individual? Yes No
- Did you utilize an area of your home for business purposes? Yes No
- Did you engage in any bartering transactions? Yes No
- Did you retire or change jobs this year? Yes No
- Did you incur moving costs because of a permanent change of station as a member of the Armed Forces on active duty? Yes No
- Did you pay any individual as a household employee during the year? Yes No
- Did you make energy efficient improvements to your main home this year? Yes No
- Did you receive a distribution from, or were you a grantor or transferor for a foreign trust? Yes No
- 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? Yes No
- Do you have any foreign financial accounts, foreign financial assets, or hold interest in a foreign entity? Yes No
- Are you an owner or do you control 25% of a company's ownership interest for a company registered with a secretary of state or similar office before January 1, 2024? Yes No
- Do you plan to become an owner or control at least 25% of a company's ownership interests for a company registered with a secretary of state or similar office for the first time after January 1, 2024? Yes No
- Did you receive correspondence from the State or the IRS? Yes No
- If yes, explain: _____
- Do you have previous years of tax returns that are either unfiled or filed with unpaid balances due? Yes No
- 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. Yes No

The information provided in this questionnaire and the tax organizer (if applicable) is complete and correct to the best of my (our) knowledge. I/We have read the engagement letter and understand and agree with the terms of the letter.

Taxpayer signature _____ Date _____

Spouse signature _____ Date _____

Taxpayer:

Work Phone: _____

Cell Phone: _____

E-mail Address: _____

Spouse:

Work Phone: _____

Cell Phone: _____

E-mail Address: _____

For Office Use Only: _____