



Ph: 310-752-9829

3415 S. Sepulveda Blvd Ste 1100
Los Angeles, CA 90034

Dear _____
Corporation Name

Thank you for selecting E&M Tax Services, Inc. to assist you in preparing your 2023 year-end tax projection and reasonable compensation analysis. This letter confirms the terms of our engagement and the nature, timing, and limitations of the services we will provide.

The projection fee is **\$600**, due upon completion of your projection. We will not submit any payroll information until payment is received. We will prepare your 2023 S-Corporation reasonable compensation and individual tax projection. This service does not provide a complete tax return. This service provides an estimated amount of tax due based on the information you provide us.

We have the following internal deadlines to process your projections on time. Information received after these deadlines will not be accepted.

- Deadline to schedule an appointment ASAP (first come, first serve)
- Deadline to upload/email your completed year-end tax projection information (Checklist, Engagement Letter, and Expenses) December 8th, 2023.
- Deadline to upload/email your completed year-end tax projection information WITH RUSH fee of \$400: December 11th, 2023.

S-Corporations have the following general deadlines listed below:

- January 15th – Individual 4th QTR deadline (may apply to some S-Corporation Owners)
- January 31st – 1099/W2 Deadline
- February 28th – Deadline for the City of Los Angeles Business Tax Renewal
- March 15th – Corporation and Partnership tax deadline
- April 15th – Individual Income Tax Return deadline
- April 15th – Individual and Corporation 1st Qtr. Deadline (this is when the minimum \$800 franchise tax is due)
- June 15th – S-Corporation and Partnership PTEC 1st payment due. This payment must be made, or you will not be allowed into the PTEC credit program for the year.
- June 15th - Individual and Corporation 2nd Qtr. deadline
- September 15th – Corporation and Partnership Return Extended Due date (not an extended date to pay)
- September 15th - Individual and Corporation 3rd Qtr. deadline
- October 15th – Individual Extended Tax Return deadline (not an extension to pay)
- November 15 – December 22 Year End Projection and Reasonable Compensation Season
- December 15th- Corporation 4th Qtr. deadline.

These deadlines are common deadlines that many of our clients have. Depending on the nature of your business there may be more deadlines



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All S-Corporations in the City of Los Angeles must file a business tax renewal each year by February 28th. We will not automatically file this renewal for you unless you engage us. We will not file any other business licenses or other city tax renewals.

We will not audit or otherwise verify the data you submit, although requesting clarification and/or documentation of some of the information may be necessary. Generally, we will rely on your representation that you have maintained the documentation required by law to support the information you provide, including expenses for meals, travel, gifts, vehicle use, charitable contributions, etc. You cannot rely solely on bank statements; the taxing authorities require receipts of such deductions. In your records, you are responsible for maintaining the documentation necessary to support the data used in preparing this projection. If you have any questions about the type of records required, please ask us for advice. We are not responsible for any additional taxes, penalties, or interest resulting from the disallowance of doubtful deductions or inadequately supported documentation.

Your tax returns may be selected for review by the taxing authorities. If the government selects your return for examination and/or you receive notices or letters from taxing authorities, we will be available to assist you. There will be an additional fee for this service on an hourly basis.

We will use our judgment in resolving issues in your favor where a tax law is unclear if there is reasonable justification for doing so. Whenever we are aware that an applicable tax law is unclear or that there are conflicting interpretations of the law by authorities, we will explain the possible positions that may be taken on your return. In accordance with our professional standards, we will follow whatever position you request, if it is consistent with the codes, regulations, and interpretations that have been promulgated. If the IRS should later contest the position taken, there may be an assessment of additional tax, plus interest and penalties. We assume no liability for any such additional penalties or assessments. In the event, however, that you ask us to take a tax position that in our professional judgment will not meet the applicable laws and standards as promulgated, we reserve the right to stop work and shall not be liable to you for any damages that occur because of ceasing to render services.

We generally retain, for seven years, the final work product generated for our clients. After the retention period, the documents are destroyed. We do not keep original documents. It is your responsibility to retain your records for possible future examination by the taxing authorities.

Fees for our services will be at our standard rates. We reserve the right to stop work on any account that is 60 days past due. All invoices are due and payable upon presentation. Tax returns will not be electronically filed until fees are paid.

If we are asked by a taxing authority to disclose any privileged communication, unless we are required to disclose the communication by law, we will not provide such disclosure until you have had an opportunity to argue that the communication is privileged. You agree to pay all reasonable expenses that we incur, including legal fees, that are a result of attempts to protect any communication as privileged.

By your signature below, you acknowledge and agree that upon the expiration of the 7-year period, E&M Tax Services, Inc shall be free to destroy our records related to this engagement.



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If the above fairly sets forth your understanding, please sign the enclosed copy of this letter and return it to our office. Work cannot commence until a signed copy of this document is returned.

We are pleased to have you as a client and look forward to a long relationship.

Yours truly,

Erin Wayland
E&M Tax Services, Inc

Acknowledged:

Taxpayer/Officer
Signature: _____ Print Name: _____ Date: _____
