



PSK's PREPAID IRS AUDIT FEE PROGRAM ENGAGEMENT LETTER

In consideration of **PSK's PREPAID IRS AUDIT FEE PROGRAM** (PROGRAM) retainer fee this engagement is made between PSK LLP and client named herein. PSK LLP agrees to represent the client named herein before the Internal Revenue Service (IRS) as described herein, in the event of an audit or other IRS correspondence for the named year(s).

SECTION I: AUDIT DEFINITION

- (a) As used in this agreement the term "audit" means any "office" audit by the IRS including any written communication or telephone calls initiated by the IRS in which the IRS desires to audit, examine, review, investigate or verify any item(s) on client individual federal income tax return Form 1040.
- (b) An "office" audit is an examination by the IRS of an individual income tax return at the "office" of the IRS. This PROGRAM retainer fee **does not** cover an IRS "field" audit in which the IRS requests to come to the taxpayer's place of business to examine records in detail or any "office" audit expanded to a "field" audit.
- (c) The PROGRAM retainer fee covers **only** audits of individual **Federal** income tax return Form 1040 for the listed year(s) in which PSK prepared the return(s).
- (d) Any investigation conducted by the IRS involving issues of civil or criminal fraud **does not** constitute an "audit" as defined herein, and ceases to qualify as a prepaid case at the time such issues enter the case. (e) The PROGRAM retainer fee **does not** include any services associated with an appeals process or litigation or litigation support. However, we will counsel you regarding the advisability of appealing any IRS audit adjustment at the conclusion of the "office" audit.
- (f) The PROGRAM retainer fee **does not** include accounting services associated with the examination of any information from another federal tax return that appears on an individual's federal tax return, e.g., information from a Partnership's K-1 or S-Corporation Shareholder's K-1.
- (g) The PROGRAM retainer fee includes **only** those "office" audits in the Dallas-Fort Worth area or any "office" audits that we are able to get transferred to the Dallas-Fort Worth area should you move from this area.
- (h) The PROGRAM retainer fee **does not** include audits of individual **State** income tax returns.

SECTION II: REPRESENTATION DEFINITION

- (a) As used in this agreement the term "representation" means that we will represent the client in all communications, meetings, and negotiations with the IRS up to, but **not** including, the appellate level. (b) We will appear at IRS "office" audits on behalf of the client.
- (c) If a personal appearance by the client is deemed in the best interest of the case, client shall cooperate with such a request.
- (d) We will not enter into a settlement or agreement with the IRS regarding the audit without client's approval.

SECTION III: PREPAID REPRESENTATION

- (a) The PROGRAM retainer covers the cost of tax services associated with representation of client at client's IRS audit and/or handling of IRS correspondence of listed year(s).
- (b) We will represent the client if client has not received an audit notification from IRS prior to the payment date of this PROGRAM retainer.

- (c) Upon client's notification of an audit by IRS, client shall respond to such notification by immediately notifying us in writing and by telephone.

SECTION IV: PROGRAM EXCLUSIONS

This PROGRAM retainer fee **does not** cover:

- (a) Additional taxes, interest, or penalties as a result of an IRS examination.
- (b) IRS “field” audits as described above.
- (c) IRS audits or correspondence in which the client has received notification from the IRS dated prior to the PROGRAM retainer fee **payment** date.
- (d) Returns filed by client with unpaid balance due.
- (e) IRS audits of Partnerships, S-Corporations, Trusts, Estates, etc.; returns that affect a client’s individual return.
- (f) The appeals process, litigation, or litigation support. We do not provide legal services in either civil or criminal matters.
- (g) The cost of any amended returns as a result of IRS adjustments or correspondence. (h) Schedule C.
- (i) Schedule F.

SECTION V: CLIENT OBLIGATIONS

- (a) Client shall cooperate completely with PSK and any of our representatives working on client’s behalf under the terms of this PROGRAM.
- (b) It shall be client’s responsibility to provide any information or documentation, in an organized manner requested by PSK, necessary to substantiate any item(s) on client’s return required by the audit. (c) Client shall sign a power of attorney authorizing PSK to represent the client in any audit or other IRS matter on the client’s individual tax return for the year of the PROGRAM retainer.
- (d) Clients shall make themselves available to appear at the IRS audit if we deem it in the best interest of securing a more favorable defense of client’s tax return under examination.
- (e) Upon receipt of any correspondence or telephone communication from IRS, client shall immediately notify PSK in writing and by telephone.

SECTION VI: ENGAGEMENT FEE

- (a) The fee for this prepaid IRS audit fee PROGRAM is \$275.00 covering the 2022 Federal Form 1040 tax return.

Dated this _____ day of _____, 2023.

Accepted By:

PSK LLP

If this letter correctly expresses your understanding, please sign below where indicated.

Signature Date _____ Client

Printed Name