

2017 CLIENT TAX DATA - CONFIDENTIAL

JANUARY 1, 2018



TAX YEAR 2017 – TAX PREPARATION  
AGREEMENT

## TAX YEAR 2017 – TAX PREPARATION AGREEMENT

**STEP ONE:** Thank you for choosing Lodge & Co. to prepare your tax returns. Please read the full tax preparation agreement, sign and date and then go to step two and fill out the tax organizer.

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### TAX PREPARATION OVERVIEW

- **CONNECTING THE RIGHT TAX RULES THAT WILL WORK FOR YOUR TAX NEEDS**
- As 2017 ends and the New Year starts, it is time to meet with your tax accountant to prepare your **2017** tax return.
- The American Recovery and Reinvestment Act and the Affordable Care Act (ACA) implements wide reaching changes to the tax code. There are many new changes that have affected the tax preparation of the various new and revised forms that affect your tax outcome.
- We have provided you with the Tax Organizer which is designed to help you collect your tax information for us to prepare your tax return. The attached worksheets cover income, deductions, and credits, and will help in the preparation of your tax return by focusing attention on your special tax needs.
- Please note that we have provided you a list of **WHAT TO BRING** that we will need to prepare your **2017** tax return, along with the filled in tax organizer. We would ask that you enter your **2017** tax information in the designated areas on the worksheet.
- **NOTE:** The general Questions and other worksheets include a variety of questions designed to assist in completing your tax return. If you answer yes to any of the questions, be sure to provide the applicable details. Please provide at the time of your appointments or through fax/email the documents listed as **WHAT TO BRING**.

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## CIRCULAR 230 DISCLAIMER

**Circular 230 Disclosure Notice:** IRS Circular 230 regulates written communications about federal tax matters between tax advisors and their clients. To the extent the preceding correspondence and/or any attachment is a written tax advice communication, it is not a full “covered opinion”. Accordingly, this advice is not intended and cannot be used for the purpose of avoiding penalties that may be imposed by the IRS regarding the transaction or matters discussed herein.

In addition, the materials communicated herein are intended solely for the addressee and are not intended for distribution to any other person or entity, or to support the promotion or marketing of the transaction or matter addressed herein. Any subsequent reader should seek advice from an independent tax advisor with respect to the transaction or matters addressed herein based on the reader’s particular circumstances.

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## WHAT TO BRING TO YOUR APPOINTMENT

- Last Year’s Tax Return (if a new client)
- W-2 Forms for Wages
- 1095A (if you are covered under a state exchange for a tax subsidy)
- 1099-R for Retirements
- 1099s for Interest, Dividends, and Other Income
- K-1s from Partnerships, Corporations or Estates
- Social Security Benefits Statements
- Voided Check for Direct Deposit
- Property Tax Statements
- IRA Year-End Statements
- 1098 – Mortgage Interest, tuition, Contributions
- Closing Papers for Purchases & Sales, including purchase and sale date & Amounts
- All Other Statements Showing Income
- Last Pay Stub of the Year
- Bring a summary of your medical expenses
- Bring a detailed list of expenses if you own a small business
- **SIGN PREPARATION & ARBITRATION AGREEMENTS**
- **BRING THE COMPLETED TAX WORKSHEET**

## **FOREIGN BANK ACCOUNTS**

The Foreign Account Tax Compliance Act (FATCA) requires that you report all bank accounts and financial assets that you own or are a signatory on in a foreign bank account that is \$10,000 or greater at any given time during the year. You must report your bank foreign bank account on your 1040 and by filing a form 114 with the United States Department of the Treasury. If not reported it could be a criminal offense. Please answer line 21 of the tax organizer. (It is your responsibility to file a form 114 with the US Department of Treasury).

## **CONFIDENTIALITY NOTICE**

The content of this form is only intended for the noted recipient. If you have received this letter or fax in error, please contact us immediately. This form is not intended to be used for the purpose of solicitation. Any information contained in this form is deemed confidential.

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## TAX PREPARATION AGREEMENT

We appreciate the opportunity of working with you and advising you regarding your federal and state individual or business income taxes. In order to ensure an understanding of our mutual responsibilities, we ask all of our clients for whom returns are prepared (individual or business) to confirm the following arrangements.

We will prepare your federal and state income tax returns. **These returns will be prepared from information which you will furnish to our firm. We will not audit or make any other verification on the data you submit,** although it may be necessary to ask you for clarification of some of the information. We will furnish you with an outline checklist to help you in gathering the necessary information (please note this list is not comprehensive, and any forms you are unsure about should be submitted to us prior to our firm preparing your tax forms). **In the event of an audit by a taxing authority, you will be required to provide the documentation for all items in question to the taxing authority. It is the taxpayer's (you) responsibility to obtain/retain all documents that supports your tax liability. This agreement and the Arbitration agreement covers all prior tax returns that this firm has prepared for you as well as the current year.**

It is your responsibility to provide all the information required for the preparation of a complete and accurate tax return. You should retain all documents, cancelled checks and other data that form the basis of income and deductions for at least a period of the statute of limitations (typically 3 years for federal and 3 years for the State of California, but can be unlimited in certain situations). You should also retain documents that support items carried over into open years, such as cost basis information, nondeductible IRA's, net operating losses, etc. This information may be necessary to provide the accuracy and completeness of the returns to a taxing authority. **You have the final responsibility for the income tax returns; therefore, you should review them carefully before you sign them.** If for some reason you believe your returns have not been received by the taxing authorities, (i.e., didn't get your refund or they haven't cashed your check) then please contact our office or go online at

[www.irs.gov](http://www.irs.gov). We also have icons on our web site to take you directly to the IRS/State. [www.lodge-co.com](http://www.lodge-co.com)

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover errors or omissions by you, fraud, misrepresentations, defalcations and/or other irregularities, should any exist. We will render such accounting and bookkeeping assistance as determined to be necessary only for preparation of your income tax returns. **It is your responsibility to provide our firm with accurate, truthful information for use in preparing your tax forms. It is your responsibility to review the tax return and ask any questions prior to signing the tax return under penalty and perjury.**

**Reasonable Belief** – a tax practitioner may not sign a return as a preparer unless the practitioner determines that the return contains a reasonable belief that the tax treatment of the position is more likely than not the proper tax treatment. The reasonable belief standard met, the practitioner will advise the client of any opportunity to avoid the accuracy-related penalty in section 6662 of the Internal Revenue Code of 1986 by adequately disclosing the position of the requirements for adequate disclosure.

We will use our professional judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authority's interpretation of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions whenever possible.

The law provides various penalties that may be imposed when taxpayers understate their tax liability. The Internal Revenue Service also imposes penalties upon taxpayers and return preparers for failure to observe due care in reporting for income tax returns.

Your returns may be selected for review for any reason by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination(s) we will be available upon request to help you resolve these



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## ARBITRATION AGREEMENT

If a dispute arises between you and Lodge & Co., the dispute shall be settled through binding individual arbitration unless you opt-out of this arbitration provision using the process explained in bold type below. The alternative to traditional lawsuits may cost you a fee to have your dispute with Icon Tax Group decided by a third party. This third party, known as the Arbitrator, is empowered to settle the matter with the same set of remedies available in court including compensatory, statutory, and punitive damages, injunctive and other equitable relief, and attorneys' fees and costs. However, you agree to waive your rights to sue Lodge & Co. in court before a judge and jury and to waive any right to participate in any "class action" lawsuit regarding any issue that could otherwise be settled by arbitration.

In addition, you specifically agree to waive any right to any "class action" arbitration. As used in this arbitration provision, "Lodge & Co." shall also include the officers, directors, agents and employees of the respective Icon companies, referenced under the action entitled "Federal & State Tax Preparation Agreement." If any portion of this Arbitration Provision is deemed invalid or unenforceable, it will not invalidate the remaining portions of the Arbitration Provision; except that in the event that the waiver of class action rights is deemed invalid or unenforceable any claim seeking relief on behalf of a class must be brought in a court of proper jurisdiction and not in arbitration.

**Right to Opt-Out of This Arbitration Provision: Lodge & Co. does not require you to accept arbitration even though you must sign this Client Service Agreement (CSA) by sending a signed letter to Lodge & Co., Arbitration Opt-Out, 2600 W Olive, 5<sup>th</sup> Floor, Burbank, CA 91505. The letter you send us should include your printed name, social security number of yourself and joint filer, if any, the most recent date you were served by Lodge & Co., whether or not you want a written confirmation and the words "Reject Arbitration," Your electronic or written opt-out letter will override your signature below regarding arbitration but no other provision of this document.**

**How Arbitration Works.** If you have a complaint against Lodge & Co. that you have been unable to solve by bringing it to the attention of the office that served you,



you may contact the American Arbitration Association (AAA) at 1633 Broadway, Floor 10, New York, NY 10019. AAA will appoint a natural practicing attorney with more than ten years of relevant legal experience to hear your side and Icon Tax Group side of this issue, and make a decision that is binding on both you and Icon Tax Group. The American Arbitration Association's rules of arbitration are available by mail from AAA or on the internet at [www.adr.org](http://www.adr.org).

**Arbitration Costs.** You will be asked to pay a fee(s), and Lodge & Co. will pay all other filing, administrative hearing and miscellaneous arbitration expense up to \$1,500. Lodge & Co. may consider paying arbitration costs that exceed \$1,500 but only if you win the arbitration.

**Other Arbitration Terms & Information.** Your arbitration will take place in the federal judicial district where you live. The Arbitrator's award will be final and non-subject to appeal except as permitted by the Federal Arbitration Act. Except as required by law, neither you nor Lodge & Co. nor the Arbitrator may disclose the existence, content or results of your arbitration without prior written consent from the other two parties. If you make any statements regarding any settlements, you will be considered in breach of the arbitration agreement.

**Note.** This arbitration provision will not apply to any claims relating to the Tax Preparation Services, the subject matter of which is currently being asserted in any certified class action lawsuit that may or may not be pending against Icon Tax Group.

If you apply or a RAL or RAC in a state that prohibits arbitration or class action waivers for RAL or RAC related claims, this provision will not apply to claims relating to your RAL or RAC transaction.

If you are a Covered Borrower, as that term is defined in 32 C.F.R. Part 232.3, this provision will not apply to claims relating to your RAL transaction.

My/our signature(s) below confirms that I/we understand and voluntarily agree to the terms of the Arbitration Provision described above, as well as all other terms, condition and disclosure presented in this tax preparation agreement.

\_\_\_\_\_  
Date                      Client Signature

\_\_\_\_\_  
Date                      Client Signature

\_\_\_\_\_  
Date                      Lodge & Co. Rep.

## CONSENT TO DISCLOSE

Federal law requires this consent form be provided to you. Unless authorized by law, we cannot use your tax return information for purposes other than the preparation and filing of your tax return without your consent. You are not required to complete this form to engage our tax return preparation services. If we obtain your signature on this form by conditioning our tax return preparation services on your consent, your consent will not be valid. Your consent is valid for the amount of time that you specify. If you do not specify the duration of your consent, your consent is valid for one year from the date of signature.

For your convenience, Icon has entered into arrangements with certain banks and/or companies regarding the provision of Individual Retirement Accounts and other financial services. To determine whether this service may be of interest to you, Icon will need to use your tax return information.

If you would like Icon or our contracted companies to use your tax return information to determine whether these services is relevant to you while we are preparing your return, please check the corresponding box, provide the information requested below, and sign and date this consent to the use of your tax return information.

Please check:  I  \_\_\_\_\_ &  \_\_\_\_\_ authorize Icon and their contracted companies during the preparation of my tax return for 2015 to determine whether to offer me an opportunity to invest in an IRA or other financial product or service presented by Icon and a contracted company.

**Notice:** If you believe your tax return information has been disclosed or used improperly in a manner unauthorized by law or without your permission, you may contact the Treasury Inspector General for Tax Administration (TIGTA) by telephone at 1-800-366-4484, or by email at [complaints@tigta.treas.gov](mailto:complaints@tigta.treas.gov)

**TAX INFORMATION RELEASE FOR OBTAINING A MORTGAGE OR OTHER NEED:** In the event that you are purchasing a home or refinancing your home and you are in need of Icon to furnish a copy of your tax return to your mortgage company, you will need to fill out a separate consent form for

Icon to release your tax return. Call our office at: 888.681.1518 and request a release form.

If you need Icon to release your tax return for other reasons other than mortgage you will need to sign a separate consent form to do so. Icon takes your tax return data security very seriously and we have put in place consent forms to double check and protect your tax return information.

Also, if you are calling for a family member or friend to get their tax return data, no tax return data will be released unless authorized by the taxpayer directly.

I hereby understand the consent requirements and agree to adhere to them.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**NOTE: You do not have to sign this form if you do not want Lodge & Co. to discuss with you the various financial services that we provide to our clients in addition to Tax Preparation services.**

## ACA QUESTIONS

Did you and your dependents have healthcare coverage for the full year?  
Yes \_\_\_\_\_ No \_\_\_\_\_

Did you receive any of the following IRS documents:

1. Form 1095-A (Health Insurance Marketplace Statement) Yes \_\_\_\_\_  
No \_\_\_\_\_
2. 1095-B (Health Coverage) Yes \_\_\_\_\_ No \_\_\_\_\_
3. or Form 1095-C (Employer Provided Health Insurance Offer and Coverage)? Yes \_\_\_\_\_ No \_\_\_\_\_

**If so, please include them with your tax return information.**

If you or your dependents did not have healthcare coverage for each month during the year, do you fall into one of the following exemption categories:

1. Indian tribe membership, health sharing ministry membership,  
Yes \_\_\_\_\_ No \_\_\_\_\_
2. religious sect membership, Yes \_\_\_\_\_ No \_\_\_\_\_
3. incarceration, Yes \_\_\_\_\_ No \_\_\_\_\_
4. exempt non-citizen or economic hardship? Yes \_\_\_\_\_ No \_\_\_\_\_

**If you received an exemption certificate, please include it with your tax return information.**

If you obtained coverage in the Marketplace, did you apply any Advanced Premium Tax Credit to your insurance premium? Yes \_\_\_\_\_ No \_\_\_\_\_