JAMES E. GEORGE, CPA, P.A.

4014-B Mountville Road Jefferson, MD 21755 • Phone: 301-473-4445 Fax: 301-473-4449

January 15, 2021

To our Valued Clients:

Once again it is the tax filing season! We look forward to assisting you and will strive to make your tax preparation as easy as possible. The best way to accomplish this is by ensuring we have your tax information organized as early as possible. We ask that you please review this entire packet and complete all requested information.

We have many new procedures this year due to COVID concerns. Our goal is to protect our staff and clients as much as possible. To accomplish this goal, **we will not be doing tax interviews this year**. You may submit your income tax information by UPS, FedEx, USPS Express Mail, dropping it off in our lobby, or submitting it through our Secure File Transfer tool located on our website. If you wish to speak with someone about your tax information, please contact us to arrange a Zoom meeting or telephone interview.

We can provide you with a “Tax Organizer,” which is a helpful checklist of the income and deductions reported on your 2019 tax returns. Let us know if you would like to download your Tax Organizer from the Secure File Transfer tool on our website. You may also request delivery via fax or pick it up at our office. Our commitment to safeguarding your information prohibits us from mailing or emailing these Organizers.

Enclosed is a “How to Organize your Tax Information” sheet which you should refer to when compiling your tax documents. Also complete the enclosed “Tax Questionnaire” and sign the “Engagement Letter” when submitting your information. We cannot start your returns until the Engagement Letter is signed. (***by both parties*** if a joint return)

We maintain high security measures to safeguard your information against identity theft and fraudulent tax return filings. Therefore, we discourage transmitting sensitive information via postal service mail or email. For your protection, we offer a Secure File Transfer tool on our website **www.jgeorgecpa.com**. This is a very easy and safe method for obtaining your Tax Organizer and communicating other confidential material. Please contact our office if you need assistance using this valuable tool. Be prepared to provide a copy of your driver’s license when dropping off or picking up your paperwork in our office. Safeguarding your information is one of our highest priorities!

Please contact us once you have received ***the majority*** of your tax information and have completed the enclosed forms. Whether you submit your data by mail, through our online transfer tool or drop it by our office, make sure to include copies of a voided check, your driver’s license, and the signed engagement letter.

Thank you for your continued business, kind words, and referrals. We look forward to serving you this tax season and helping you navigate your financial challenges throughout this upcoming year.

Sincerely,

James E George CPA

James E George, CPA P.A.

Hours beginning late January 2021
Monday, Wednesday, and Friday 8:00 - 5:00; Tuesday and Thursday 8:00 – 8:00; Saturday 8:00 to 12

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OUR NEW PROCEDURES DUE TO COVID

Dear Client,

Our biggest challenge this year is how to protect our staff and our clients while providing a high level of service. We are implementing the following procedures and service options for this tax filing season:

Submitting your information: You may still drop your information off at our office however **we are not offering in-person interviews this year.** You may also submit your tax information by UPS, FedEx, fax, or through our Secure File Transfer tool located at our website: jgeorgecpa.com. The postal service is the riskiest method of submission. If you choose to mail your tax information we highly recommend USPS Express Mail so your parcel may be tracked. If you have questions about our Secure File Transfer tool, please contact our office and our staff can assist you with uploading or downloading your tax information.

Obtaining your completed income tax returns: Our staff will contact you once your returns are completed. We can send them to you via FedEx or UPS for about $25 depending on the weight. We can also send them to you for free through our online Secure File Transfer tool, or you may pick them up at our office. If you prefer delivery by the postal service we recommend next day express mail for $25. We can accept your credit card payment by telephone prior to mailing or uploading your tax returns to you. If you choose to pick up your returns at our office, you may pay by credit card, check, or cash.

If you have questions regarding your completed returns: Contact us by phone or e-mail. The majority of questions can be answered over the telephone or by e-mail. For more complex questions we may have to schedule a Zoom meeting or phone consultation with a tax professional.

If you have questions regarding your future tax situations: We offer tax consultations, by appointment after the busy April 15th filing deadline. Simply contact our office and schedule a Zoom meeting or phone consultation. Time charges may apply.

We hope this answers any questions you had regarding our new COVID policies. We are striving to make our clients feel safe and pleased with our services. We look forward to working with you and hope you continue to place your trust in us.

James E George CPA

James E. George, CPA

"Caring about your business is my business"

JAMES E. GEORGE, CPA, P.A.

How to Organize Your Tax Information

You can help minimize your tax preparation fee and our turnaround time by submitting your information as complete and organized as possible. Our bills are based on the specific tax forms required for your return, and the amount of time required to process them, including meetings and telephone time.

If you are using a Tax Organizer with your income and deductions from last year, follow it like a checklist. If you do not have an Organizer, we can provide you one to help organize your income tax information. While reviewing your data from last year please indicate any accounts that have been closed and make any other notes you feel will be helpful. For all returns, we need the following:

_____ Completed Tax Questionnaire (included in this packet) While we have documented your prior year issues, this helps us capture any new information that may affect your returns.

_____ Your signed engagement letter. (included in this packet) If a joint return is being filed, please make sure BOTH SPOUSES have signed it prior to submitting your documents.

_____ Copy of a check or a voided check for direct deposit of any tax refunds. (Highly recommended)

_____ Copies of driver's licenses for taxpayer, and if a joint return, for spouse.

Enclose copies of the following documents, if applicable.

_____ Copies of mileage logs if you are deducting vehicle usage

_____ Copies of death certificate for spouse

_____ Copies of any bankruptcy or debt forgiveness documents

_____ Receipts for all charitable contributions you want to deduct

_____ Copies of estimated tax payments you made

_____ HUD1 statement from purchase, sale, or refinance of property

_____ Copies of any 1095 forms from a state insurance exchange

Please include any other documents you feel may influence the accuracy or completeness of your tax returns.

If we receive your tax information prior to March 26, 2021, we will not require a deposit. Beginning March 26, we require a $175 deposit prior to starting a return. This does not include any applicable extension fees.

Should you have any questions, feel free to contact our office.

Hours beginning late January 2021
M-W-F, 8:00 to 5:00, T-TH 8:00 to 8:00, SAT 8:00 to noon
Phone: 301-473-4445 Email: frontdesk@jgeorgecpa.com

2020 TAX QUESTIONNAIRE

Client name:____

Please check the appropriate box and provide an answer to each question, if applicable.

YES	NO	**Personal Information**
		Did your marital status change during the year? If yes, explain: ______________________________
		Did your address change during the year?

YES	NO	**Dependent Information**
		Did you add or lose any dependents during the year?
		-If yes, explain: ____
		Did you have any childcare expenses during the year?

YES	NO	**Health Care Information**
		Did any member of your household **NOT** have healthcare coverage for the entire year?
		Did any member of your household have healthcare coverage through the Marketplace?
		-If yes, provide copies of Form 1095-A
		Did you receive a distribution from a Health Savings Acct., or Medicare Advantage MSA during the year?

YES	NO	**Income, Purchases, Sales, and Debt Information**
		Did you have any income (other than wages) from a state other than where you currently live?
		Did you have a financial interest or signature authority over a financial account or property in a foreign country?
		Did you recive an economic stimulus payment in 2020?
		-If yes, How much? $
		Did you receive any tips not reported to your employer?
		Did you receive any disability income during the year?
		Did you cash any U.S savings bonds during the year?
		Did you receive any other income such as Gambling Winnings or Jury Pay?
		-If yes, explain: ____
		Did you start a new business or close a business this year?
		Did you sell, exchange, or purchase any real estate during the year?
		-If yes, provide closing documentation for the purchase or sale of the property.
		Did you foreclose or abandon a principal residence or other property during the year?
		Did you refinance your principal home during the year?
		-If yes, provide your HUD-1 settlement sheet.
		Did you receive any principal or interest during this year from property sold in prior years?
		Did you have any debts canceled or forgiven this year?
		Did you inherit any property or were the beneficiary of any inherited retirement accounts?

2020 TAX QUESTIONNAIRE

Client name:____

Please check the appropriate box and provide an answer to each question, if applicable.

YES	NO	**Itemized Deduction Information**
		Did you pay any long-term (Nursing Home) healthcare premiums during the year?
		Did you pay any state or local income taxes for prior years?
		Did you make non-cash donations to charity (clothes, furniture, etc.) during the year?
		Did you donate a vehicle during the year? -If yes, attach Form 1098-C.
		Did you have any gambling losses during the year?

YES	NO	**Retirement Information**
		Did you receive any payments from a pension, profit sharing, or 401(k) plan this year?
		Did you make withdrawals from or contributions to: IRA, SIMPLE, SEP plan, (Other than a 401k)?
		Did you receive any Social Security benefits during the year?

YES	NO	**Education Information**
		Did you pay tuition expenses for attending college, or vocational school for yourself, your spouse, or a dependent during the year (even if classes were attended in another year)?
		Did you pay student loan interest for yourself, your spouse, or your dependent(s) during the year?

YES	NO	**Miscellaneous Information**
		Did you make any energy-efficient improvements to your main home during 2020? -If yes, attach receipts
		Did you apply an overpayment of your 2019 taxes to your 2020 estimated taxes?
		Did you make any estimated payments toward your 2020 taxes?
		If you have an overpayment of 2020 taxes, do you want the refund applied to your 2021 taxes?
		Did you receive any adjustment notices from the IRS or state taxing authority?
		Would you like any tax refunds directly deposited into your bank? -If yes, please provide a copy of a check for the account you want to receive the refund.

- This is not intended to be an all inclusive list.
- Additional questions may arise during the preparation of your returns.
- Please assist us by submitting any additional documents and information you feel may be helpful.

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Monday, Wednesday, and Friday 8:00 - 5:00; Tuesday and Thursday 8:00 – 8:00; Saturday 8:00 to noon
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INDIVIDUAL ENGAGEMENT LETTER

Dear Client:

We appreciate the opportunity to work with you and advise you regarding your income tax returns. To ensure we all understand our mutual responsibilities, all clients for whom returns are prepared must confirm the following arrangements:

RESPONSIBILITIES

We will prepare your 2020 federal and requested _______________state income tax returns from information which you will furnish to us. If you have taxable activity in a state other than those specifically listed above, you are responsible for informing us of that activity so we may determine if you have a filing requirement. If you have a financial interest in any foreign accounts, you are responsible for filing FinCen114 by June 30th of each tax year. Please let us know if you need assistance with these filing requirements.

It is your responsibility to make certain that the information you are supplying to us is accurate and complete to the best of your knowledge. The firm relies solely on information furnished by you. There is no responsibility on the part of the firm to audit, verify or extensively analyze the information provided. We will render bookkeeping assistance as determined necessary for the preparation of your returns.

You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them. If any changes are required, **it is your responsibility** to inform us so necessary corrections to your returns are made prior to filing.

In connection with the preparation of your income tax returns, we do not perform any procedures designed to discover defalcations or other irregularities, should any exist. We will use our professional judgment in resolving questions where the tax law is unclear. However, it is understood that you remain responsible for any adverse determination by the taxing authorities or the courts. Any information you provide us during the preparation of your returns is confidential; however, the courts have held it is not protected by any Accountant-Client privilege.

FEES

Our fee will be based upon the forms needed and the amount of time required to prepare the return(s). It does not include responding to IRS inquiries, for which you will be billed separately. All invoices are due upon completion of your returns. Unpaid invoices may result in collection expenses and attorney fees for which you are liable.

The firm is not responsible for charges, penalties and interest resulting from information you fail to supply or errors by the IRS or state taxing authorities. If your returns are selected for examination, we will be available upon request to represent you. Additional fees will apply for any time and expenses incurred.

PLEASE NOTE: The results of your income tax calculations will not be released to you prior to payment of our invoices.

YOUR COMPLETED RETURNS

Our fees are due at the time you pick up your returns or before they are sent to you via secure file transfer. We accept cash, personal check, and most major credit cards (not American Express) as a method of payment. If someone other than you or your spouse is picking up your returns on your behalf, they must be prepared to show proof of identification.

It is understood that if this engagement involves a joint return, this firm shall provide a copy (including copies of supporting data) to either of the parties upon request, at any time upon payment of applicable charges.

Our firm's policy is to retain copies of your returns and some of your supporting documents for a period of three years. These may be necessary to prove the accuracy and completeness of the returns should they be examined by a taxing authority. During this time, copies of your previous three years' returns can be obtained for a fee of $25 per year requested. After three years, our files are destroyed by a bonded outside contractor.

The engagement does not include any services not specifically stated in this letter. If this letter fairly sets forth your understanding, please sign and date in the space indicated. If there are other tax returns you expect us to prepare, such as a Business Personal Property Tax, Federal Gift Tax, Local Tax, or prior year returns, please inform us by noting so at the end of this letter.

If filing a joint return, this form must be **signed by both parties**.

We want to express our appreciation for this opportunity to work with you.

Very truly yours,

James E George CPA

Accepted By: ___________________________________ Date: _____________

Accepted By: ___________________________________ Date: _____________

Comments: ____

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INFORMATION REGARDING OUR BILLING POLICY

Dear Client,

Many clients are unsure how CPA firms operate and charge for their services. We hope the following explanation addresses any questions you have regarding our billing policies.

The product of a CPA firm (what is sold) is their expertise. This expertise is sold in units of time. Time spent using our expertise to process client work or sharing our expertise by educating the client is considered a sale of that product. While we are happy to give away our product in certain situations, we do have limitations. Insignificant amounts of time, such as quick telephone calls or e-mails, generally are not billed. Repeated telephone calls or multiple emails may be billed. Generally, professional firms bill by the hour.

During the process of preparing your returns we may need to contact you for additional information or to clarify documentation you have provided. This time is considered normal in the preparation of the income tax returns and, unless excessive, is not billed. We also scan your income tax return and supporting documents and store them securely for a period of three years. This has proven valuable if a client gets selected for an audit or their records become lost or destroyed. There is no additional charge for this service. It is considered a standard part of our income tax preparation at our firm.

When income tax returns are complete, they are billed on a “per-form” price which is a set price based upon the time and expertise needed to complete each form. This is similar to the billing method used by H&R Block, Liberty Tax Service, and other tax preparation firms. Time spent for consultation, bookkeeping, and additional services that you may require is then added to the per form charges.

During the process of preparing your return we may advise you of overlooked opportunities that could potentially save you substantial tax dollars in the future. Our recommendations have saved thousands of dollars for our clients every year! This level of tax-saving expertise is one of the important advantages of having our experienced staff prepare your income tax returns. It may cost a little more than the high-volume tax services, however, we do not simply fill out your forms and hand you a bill. We analyze your tax situation and look for opportunities to help you prosper.

We hope this answers any questions you had regarding our billing policies. You are welcome to speak with us regarding any remaining unanswered questions or concerns about our billing procedures. Our goal is to ensure our clients feel comfortable and pleased with our services. We look forward to working with you and hope you continue to place your trust in us.

James E George CPA

James E. George, CPA

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