David N. Wurst, CPA, PA

CERTIFIED PUBLIC ACCOUNTANTS

2544 A Plantation Center Drive, Matthews, NC 28105
PO Box 928, Matthews, NC 28106
(P) 704 849-0990 (F) 704 849-0961

February 6, 2015

Dear Client:

Enclosed please find your Engagement Letter and Client Questionnaire for your 2014 personal income tax return. In an effort to "Go Green", we have <u>not</u> enclosed the organizer. To request an organizer, please <u>call our office</u> and a personalized organizer will be mailed to you or posted to our secure website, based on your preference. Please be sure to update your current email address for our records.

Please read, sign and date the enclosed engagement letter and fill out the Client Questionnaire and return them when you submit your information. ***Please be sure to enter the best way to phone and/or email you.***

The Client Questionnaire asks about pertinent tax items necessary for preparing the most accurate tax return possible. Please answer all applicable questions and attach a statement when necessary. Please note any changes in marital status or dependents; include date and change in status, dates of birth and social security numbers.

We will also need the following information:

- Forms W-2 for wages, salaries and tips.
- All Forms 1099 for interest, dividends, retirement, miscellaneous income, Social Security, state or local refunds, gambling winnings, etc.
- Brokerage statements showing investment transactions for stocks, bonds, etc.
- Schedule K-1 from partnerships, S corporations, estates and trusts.
- Statements supporting deductions for mortgage interest, taxes, and charitable contributions (including any Form 1098-C).
- 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.
- Any tax notices sent to you by the IRS or other taxing authority.
- A copy of your income tax return from last year, if not prepared by this office.

All enclosures can be mailed, faxed or emailed to our office. If you elect to have your organizer sent through our website, you can attach all information at that time. However, we ask that you mail the original copies of any W-2s or 1099s with federal tax withholding to our office so they can be attached to your returns for filing, should we have to file on paper.

We are required to file returns electronically. You have the option of receiving paper copies of your tax returns or digital copies, in the form of a "pdf" file that can be emailed to you. We will be asking you which you prefer.

In order to meet the filing deadline for your 2014 income tax returns, **your complete**

information and documentation needs to be received by our office no later than March 15, 2015. Any information received after that date may require an extension of time to be filed for your returns.

For those who have difficulty "getting it all together" on time, please note that the Internal Revenue Service and the state of North Carolina permit a one hundred eighty (180) day extension for filing returns. However, this does *not* allow the taxpayer additional time to pay any taxes or estimated taxes that are due. Additional penalties may also be incurred depending on the amount of underpayment. **Extensions will be considered and completed by March 29, 2015 for those requesting an extension or those with late information.** We will make every attempt to complete your return, but depending on our workload at that time an extension may be required. ***Please note that we will not automatically apply for an exension without prior notification by the taxpayer.*** If you need an extension, contact us as soon as possible.

The final day to pick up your return is April 15, 2015. At the time of pick up, we welcome the opportunity to discuss your return with you.

As we move into this new year, you are probably aware that there have been a multitude of changes to the tax law again. We will try to keep you informed as legislation progresses through Washington. If you have any questions, we hope you will call us at any time.

Thank you for the opportunity to serve you.

Sincerely,

David Wurst, CPA

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Dear Client:

This engagement letter serves to confirm our agreement to prepare your federal and state personal tax forms, and their related schedules, for the year ending December 31, 2014.

This engagement letter documents our firm's standard policies and procedures relevant to our compliance work. If you have any questions, or do not agree with any provisions herein, please contact us in writing or raise the subject during your tax interview in our office. If we do not receive any objections, we will assume that you agree with, and accept, all provisions of our firm's standard tax engagement policies as expressed herin.

In order for us to complete your return by the due date of April 15, 2015, the client agrees to provide us with complete and adequate information as required by law, on or before March 15, 2015. Please realize that we rely solely on the information you provide and will not generally verify, inquire, analyze or otherwise audit or check on the accuracy or reasonableness of such information. As we depend on your source documents, 1099s and other third party source documents in determining the tax character and treatment of any given transaction, the client represents that there is adequate substantiation to support deductions for automobile reimbursements, travel and entertainment, etc.

The fee for this tax return is based on our standard fees taking into account the complexity of your return. Payment is expected at the time you receive your copy of the tax return, unless prior arangements have been made. If we prepare an extension for you and do not prepare your tax return, you will be invoiced only for the preparation of that extension. Follow-up work, including responses to IRS inquiries or audits, will be billed at the hourly fee in effect at that time. Please be aware that any unpaid fee balances are subject to a late payment charge of 1 1/2% per month and the client agrees to pay any and all costs of collection, including reasonable attorney fees.

The application of the ever-changing tax law is an uncertain area, and we will provide our very best effort to produce your return on a timely basis, with the lowest possible tax. However, our compliance work is not intended to be the equivalent of formal tax advice such as researched, written memorandum. Circumstances may change. Therefore, please be aware that interest on deficiencies arising from those situations is the price for the use of money, and not the responsibility of the firm of Davd N. Wurst, CPA, PA.

Our firm will work directly with the client when discussing the various possible positions available and the possible consequences on any extraordinary transactions in this return. By doing so, the client agrees to pay any and all preparatory penalties involving items that the IRS may assess on any extraordinary transactions.

Any claim arising from the services covered under this agreement may be brought within one year after the cause of action has occured. Claims for non-payment may be brought within three years of the final bill.

Any disputes that may arise under this agreement shall be put to mediation before suit is filed. If mediation is unsuccessful, the dispute may be submitted for a binding non-public determination to the American Arbitration Association or such other ADR procedures as may be hereafter agreed.

If any provision herein is inoperative, the remainder of this agreement shall remain in full force. This agreement is intended as a complete integration of the agreement and can only be modified in writing and with the signature of a representative of our firm.

Very truly yours,

David Wurst, CPA

David N. Wurst, CPA, PA

____________________________ __________________

Signature of Tax Client Date

____________________________ __________________

Current Email Address Preferred Phone Number

David N. Wurst, CPA, PA

CERTIFIED PUBLIC ACCOUNTANTS

PRIVACY NOTICE - DAVID N. WURST, CPA,PA

The Gramm-Leach-Bailey Act requires financial institutions to inform their customers of their policies regarding disclosures of customers' or consumers' non-public personal information. As a result, you may recently have received mailings in which banks, investment advisors and other financial institutions have provided you with a statement of their privacy policies.

Under the Gramm-Leach-Bailey Act and applicable federal regulations, the definition of "financial institution" is written broadly enough to arguably include accounting firms. The Federal Trade Commission, which has regulatory authority to administer the Gramm-Leach-Bailey Act, has taken the position that an accounting firm can be a "financial institution" that must comply with the notice requirements. Accordingly, this notice is provided to you to ensure that we comply with this federal law.

Our policy on privacy is simple: All North Carolina CPAs are bound by strict professional standards that require all information received from a client be held in confidence and not released to anyone outside the firm, except as agreed to by the client, or as necessary to comply with applicable law. We will comply with these strict rules of confidentiality. We retain records relating to professional services that we provide so that we are able to assist clients with their professional needs and, in some cases, so as to comply with professional guidelines. In order to maintain the confidentiality of this information, we maintain physical, electronic and procedural safeguards that comply with our professional standards.

Questions

_Please check the appropriate box and include all necessary details and documentation. Page 4 of the questionaire has space to make notes if further space is needed for explanation.**

	Yes	No
Personal Information		
Did your marital status change during the year?	☐	☐
If yes, explain: ____________________		
Did you get married to a same-sex spouse in a state that legally recognizes same-sex marriage?	☐	☐
If yes, explain: ____________________		
Did your address change from last year?	☐	☐
Can you be claimed as a dependent by another taxpayer?	☐	☐
Did you change any 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?	☐	☐
Dependent Information		
Were there any changes in dependents from the prior year?	☐	☐
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 $2,000?	☐	☐
Do you have dependents who must file a tax return?	☐	☐
Did you provide over half the support for any other person(s) other than your dependent children during the year?	☐	☐
Did you pay for child care while you worked or looked for work?	☐	☐
Did you pay any expenses related to the adoption of a child during the year?	☐	☐
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?	☐	☐
Purchases, Sales and Debt Information		
Did you start a new business or purchase rental property during the year?	☐	☐
Did you acquire a new or additional interest in a partnership or S corporation?	☐	☐
Did you sell, exchange, or purchase any real estate during the year?	☐	☐
Did you purchase or sell a principal residence during the year?	☐	☐
Did you foreclose or abandon a principal residence or real property during the year?	☐	☐
Did you acquire or dispose of any stock during the year?	☐	☐
Did you take out a home equity loan this year?	☐	☐
Did you refinance a principal residence or second home this year?	☐	☐
Did you sell an existing business, rental, or other property this year?	☐	☐
Did you lend money with the understanding of repayment and this year and it became totally uncollectable?	☐	☐
Did you have any debts canceled or forgiven this year, such as home mortgage or student loans?	☐	☐
Did you purchase a qualified plug-in electric drive vehicle or qualified fuel cell vehicle this year?	☐	☐

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? ☐ ☐
Did you receive any income from property sold prior to this year? ☐ ☐
Did you receive any unemployment benefits during the year? ☐ ☐
Did you receive any disability income during the year? ☐ ☐
Did you receive tip income not reported to your employer this year? ☐ ☐
Did any of your life insurance policies mature, or did you surrender any policies? ☐ ☐
Did you receive any awards, prizes, hobby income, gambling or lottery winnings? ☐ ☐
Do you expect a large fluctuation in income, deductions, or withholding next year? ☐ ☐

Retirement Information

Are you an active participant in a pension or retirement plan? ☐ ☐
Did you receive any Social Security benefits during the year? ☐ ☐
Did you make any withdrawals from an IRA, Roth, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan? ☐ ☐
Did you receive any lump-sum payments from a pension, profit sharing or 401(k) plan? ☐ ☐
Did you make any contributions to an IRA, Roth, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan? ☐ ☐

Education Information

Did you, your spouse, or your dependents attend a post-secondary school during the year, or plan to attend one in the coming year? ☐ ☐
Did you have any educational expenses during the year on behalf of yourself, your spouse, or a dependent? ☐ ☐
Did anyone in your family receive a scholarship of any kind during the year? ☐ ☐
Did you make any withdrawals from an education savings or 529 Plan account? ☐ ☐
Did you pay any student loan interest this year? ☐ ☐
Did you cash any Series EE or I U.S. Savings bonds issued after 1989? ☐ ☐
Did you make any contributions to an education savings or 529 Plan account? ☐ ☐

Health Care Information

Did you have qualifying health care coverage, such as employer-sponsored coverage or government-sponsored coverage (i.e. Medicare/Medicaid) for every month of 2014 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. ☐ ☐
Did anyone in your family qualify for an exemption from the health care coverage mandate? ☐ ☐
Did you enroll for lower cost Marketplace Coverage through healthcare.gov under the Affordable Care Act? If yes, please provide any Form(s) 1095-A you received. ☐ ☐
Did you make any contributions to a Health savings account (HSA) or Archer MSA? ☐ ☐
Did you receive any distributions from a Health savings account (HSA), Archer MSA, or Medicare Advantage MSA this year? ☐ ☐
Did you pay long-term care premiums for yourself or your family? ☐ ☐

If you are a business owner, did you pay health insurance premiums for your employees this year? ☐ ☐

Itemized Deduction Information

Did you incur a casualty or theft loss or any condemnation awards during the year? ☐ ☐

Did you pay out-of-pocket medical expenses (Co-pays, prescription drugs, etc.)? ☐ ☐

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.

Did you donate a vehicle or boat during the year? If yes, attach Form 1098-C or other written acknowledgement from the donee organization. ☐ ☐

Did you have an expense account or allowance during the year? ☐ ☐

Did you use your car on the job, for other than commuting? ☐ ☐

Did you work out of town for part of the year? ☐ ☐

Did you have any expenses related to seeking a new job during the year? ☐ ☐

Did you make any major purchases during the year (cars, boats, etc.)? ☐ ☐

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? ☐ ☐

Did you make state or federal estimated tax payments? ☐ ☐

Miscellaneous Information

Did you make gifts of more than $14,000 to any individual? ☐ ☐

Did you utilize an area of your home for business purposes? ☐ ☐

Did you engage in any bartering transactions? ☐ ☐

Did you retire or change jobs this year? ☐ ☐

Did you incur moving costs because of a job change? ☐ ☐

Did you pay any individual as a household employee during the year? ☐ ☐

Did you make energy efficient improvements to your main home this year? ☐ ☐

Did you receive a distribution from, or were you a grantor or transferor for a foreign trust? ☐ ☐

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? ☐ ☐

Do you have any foreign financial accounts, foreign financial assets, or hold interest in a foreign entity? ☐ ☐

Did you receive correspondence from the State or the Internal Revenue Service? ☐ ☐

If yes, explain: ____

Did you receive an Identity Protection PIN from the Internal Revenue Service or have you been a victim of identity theft? If yes, attach the IRS letter. ☐ ☐

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. ☐ ☐

Best telephone number: ______________________________

Please check one ☐ ***Cell*** ☐ ***Home*** ☐ ***Work*** ☐ ***Other***

Best email address: ______________________________

Direct deposit: Attach a voided check below if banking information has changed.

Please review the following pages for address corrections and contact information.

Please add any other information you think we need for this tax year or any questions you might have: