1040 Income Tax Annual Engagement Letter for 2024

We sincerely appreciate the opportunity to work with you. To minimize the possibility of a misunderstanding between us, we are setting forth pertinent information about the services that we perform for you.

We will prepare your 2024 Federal and State(s) individual income tax return, from the true, correct and complete information you furnish us. We do not use foreign third parties for preparation of your tax return, but we may use outside processing companies for electronic filing and backup storage purposes. We will not audit or otherwise verify the data you submit, although we may ask you to clarify some of the information. We may furnish you with tax organizers and questionnaires to help you gather and organize the necessary information for us.

We must receive any requested additional information to prepare your return by March 31 to ensure that your return will be completed by April 15th. **We do not file tax extensions for clients unless specifically requested to do so.**

It is your responsibility to maintain, in your records, the documentation necessary to support the data used in preparing your tax returns. This includes but is not limited to the auto, travel, entertainment, meals and related expenses and the required documents to support cash and non-cash charitable contributions. If you have any question as to the type of records required, please ask us for advice in that regard. It is also your responsibility to carefully examine and approve your completed tax returns before signing.

We are responsible for preparing only the returns identified above. If there are additional returns you wish us to prepare, such as property tax, gift or estate tax, other income tax returns for other entities, or other states' or cities tax returns, please insert them here: _________________. Our fee does not include responding to inquires or examination by taxing authorities. However. we are available to represent you and our fees for such services are at our standard rates and would be covered under a separate engagement letter.

We will use our professional judgment to resolve questions in your favor where a tax law is unclear if there is a reasonable justification for doing so. Whenever we are aware that a possible applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts), we will explain the possible positions that may be taken on your return. In addition, we reserve the right to refuse to complete a return. If the IRS should later contest the position taken, or the disallowance of doubtful deductions or inadequately supported documentation, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any such additional penalties or assessments.However, in the event of preparer error, you are responsible for additional tax that may be due, but our responsibility is to pay for any penalty that the IRS, state or local taxing authorities may assess.

In accordance with our firm's current document retention policy we will retain our work papers and your 2024 tax returns for three years. We will provide a copy of the depreciation schedules and tax returns and other pertinent work papers that should be a part of your records. If you should need replacements, we will provide additional copies at our standard copying fee. All of your original records, including W-2's and 1099's, will be returned to you. After three years, our work papers and files will no longer be available. Physical deterioration or catastrophic events may shorten the time during which our records will be available. **The working papers and files of our firm are not a substitute for your original records.** It is agreed and understood that in connection with the performance of this engagement by Ferro Willett & Thompson, PLLP that the work papers prepared by us shall remain the property of Ferro Willett & Thompson, PLLP.

Our fee for these tax services will be based on our standard rates. Invoices are due and payable upon presentation. No further work will be preformed when an unpaid balance over 60 days is outstanding unless a written waiver is granted. The suspension or termination of our work may cause you to fail to meet deadlines imposed by creditors, governments or third parties or may result in other adverse consequences and is a proper consequence of nonpayment of our statements. Our services will conclude upon delivery of the completed tax returns discussed above or upon our resignation from the engagement.

If any dispute arises among the parties, they agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its Commercial Mediation Rules. All unresolved disputes shall then be decided by final and binding arbitration in accordance with the Commercial Arbitration Rules or the AAA. Fees charged by any mediators, arbitrators. or the AAA shall be shared equally by all parties. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT IN THE EVENT OF A DISPUTE OVER FEES, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.

We appreciate the opportunity to serve you. Please sign and date this letter to acknowledge your agreement with and acceptance of your responsibilities and the terms of this engagement. It is our policy to initiate services after we receive the executed engagement letter.

Sincerely,
Ferro Willett & Thompson, PLLP

The terms described in this letter are acceptable and are hereby agreed to and shall remain in effect until terminated by either party in writing.

All information for which I have receipts, canceled checks, or other written evidence is true and correct as furnished by the undersigned to FERRO WILLETT & THOMPSON, PLLP for the preparation of Schedule A, C, E, F,Forms 1040, 1065, 1120, and 1120S, or any other official form for the year ended December 31, 2024 . I understand that Ferro Willett & Thompson, PLLP will not audit or verify the data submitted, although they may ask me to clarify it. I will contact you immediately, if I discover additional information that will lead to a change in my return, or if I receive any letters from the IRS or state taxing authorities.

____

Your Signature   Date

____

Spouse's Signature   Date

2024	1040	US	Miscellaneous Questions

Checklist of additional items (estimates not acceptable)

Please check the appropriate box and provide additional information if necessary.

Yes	No	
☐	☐	Could you be claimed as a dependent on another person's tax return for 2024?
☐	☐	Were there any changes in dependents?
☐	☐	Did you have any children under age 19 or full-time students under age 24 at the end of 2024, with interest and dividend income in excess of $1,300, or total investment income in excess of $2,600?
☐	☐	Did you receive IRS document Form 1095-A (Health Insurance Marketplace Statement), if so, please attach.
☐	☐	Did you receive unreported tip income of $20 or more in any month?
☐	☐	Did you receive any disability income?
☐	☐	Did you start a business or farm, purchase rental or royalty property, or acquire an interest in a partnership, S corporation, trust, or have income from any other sources? (Contracted services, babysitting, etc)
☐	☐	Did you buy or sell any stocks, bonds or other investment property in 2024? If yes, attach Form 1099B received from brokers. YOU MUST PROVIDE US WITH THE COST OF THE STOCK OR PROPERTY SOLD. VERY IMPORTANT.
☐	☐	Did you at any time in 2024 receive, sell, exchange, gift or otherwise dispose of a digital asset or a financial interest in a digital asset including non-fungible tokens?
☐	☐	Did you purchase an electric vehicle from a dealer in 2024? (Include purchase agreement.)
☐	☐	Did you make any residential energy-efficient improvements or purchases involving solar, wind, geothermal or fuel cell energy sources?

2024	1040	US	Miscellaneous Questions

Yes	No	
☐	☐	Did you purchase, sell, or refinance your principal home or second home, or did you take a home equity loan?
☐	☐	Did you have any debts canceled or forgiven?
☐	☐	Did you receive a distribution from a retirement plan (401(k), IRA, SEP, SIMPLE, Qualified Plan, etc.)?
☐	☐	Did you make a contribution to a retirement plan (401(k), IRA, SEP, SIMPLE, Qualified Plan, etc.)?
☐	☐	Did you receive a distribution from an Education Savings Account or a Qualified Tuition Program?
☐	☐	Did you, your spouse, or a dependent incur any tuition expenses that are required to attend a college, university, or vocational school? If yes, attach form 1098T.
☐	☐	Did you have an interest in or signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account?
☐	☐	Are you a member of the Armed Forces of the United States on active duty who moved pursuant to a military order related to a permanent change of station?
☐	☐	Did you engage the services of any household employees? If yes, you may be required to pay employment taxes, file W-2 and payroll reports.
☐	☐	Did you or your spouse make any gifts to an individual that total more than $18,000, or any gifts to a trust?
☐	☐	Did your bank account information change within the last twelve months?
☐	☐	Are you holding U.S. Savings Bonds that are more than 30 years old?
☐	☐	Did you contribute or withdraw from a Health Savings Account?
☐	☐	Did you exercise any employee incentive stock options this year?
☐	☐	May the IRS discuss your tax return with your preparer?
☐	☐	How would you like to receive your completed taxes?

(Circle one) Pickup - Mail - Secure Portal

2024	1040	US	Tax Organizer

Ferro, Willett & Thompson PLLP
1615 Alderson Avenue
Billings, MT 59102
Telephone number: 4062456261
Fax number:
E-mail address:

Tax Return Appointment

Date:
Time:
Location:

This tax organizer will assist you in gathering information necessary for the preparation of your 2024 tax return. Please enter all pertinent 2024 information. If you have attached a government form for an item, check the box and do not enter a 2024 amount.

CLIENT INFORMATION

	Taxpayer	Spouse
First name and initial.......	.	
Last name........................		
Title/suffix........................		
Social security number....		
Occupation......................		
Date of birth (m/d/y).........		
Date of death (m/d/y).......		
1=blind............................		
Home phone....................		
Work phone.....................		
Work extension................		
Cell phone.......................		
E-mail address................		
Drivers License #.............		
Drivers License State......		
Issue Date.......................		
Expiration Date................		

Address		
	Street address.............	
	Apartment number......	
	City..............................	
	State.........................	MT
	ZIP code......................	

DEPENDENTS

	Dependent No. 1	Dependent No.
First name.......................	.	
Last name........................		
Title/suffix........................		
Date of birth (m/d/y).........		
Date of death (m/d/y).......		
Date of adoption (m/d/y)..		
Social security number....		
Relationship.....................		
Months lived at home......	12	

	Dependent No.	Dependent No.
First name.......................		
Last name........................		
Title/suffix........................		
Date of birth (m/d/y).........		
Date of death (m/d/y).......		
Date of adoption (m/d/y)..		
Social security number....		
Relationship.....................		
Months lived at home......		

2024 | 1040 | US | Tax Organizer

Please enter all pertinent 2024 information. If you have attached a government form for an item, check the box and do not enter a 2024 amount.

WAGES, SALARIES AND TIPS

Employer Name:

	Employer Name	2024 Amount	2023 Amount
☐	.	Attach Forms W-2	
☐			
☐			

INTEREST INCOME

Payer Name:

	Payer Name	2024 Amount	2023 Amount
☐	.	Attach Forms 1099-INT	
☐			
☐			

DIVIDEND INCOME

Payer Name:

	Payer Name	2024 Amount	2023 Amount
☐	.	Attach Forms 1099-DIV	
☐			
☐			

PENSION AND IRA INCOME

Payer name:

	Payer name	2024 Amount	2023 Amount
☐	.	Attach Forms 1099-R	
☐			
☐			

GAMBLING WINNINGS

Payer name:

	Payer name	2024 Amount	2023 Amount
☐		Attach Forms W-2G	
☐			
	Total gambling losses..		
	Winnings not reported on Form W-2G...		

OTHER GOVERNMENT FORMS - INCOME

	Form	2024 Amount	2023 Amount
☐	Form 1099-B - Sales of stock (also include transaction history)...............	Attach Forms 1099	
☐	Form 1099-MISC - Miscellaneous income...		
☐	Form 1099-K - Merchant card and third party network payments.............		
☐	Form 1099-S - Sales of real estate (also include closing statements)......		
☐	Form 1099-G - State tax refunds...	Attach Forms 1099	

2024	1040	US	Tax Organizer

Please enter all pertinent 2024 information. If you have attached a government form for an item, check the box and do not enter a 2024 amount.

OTHER GOVERNMENT FORMS - INCOME (Continued)

	2024 Amount	2023 Amount
Taxpayer:		
☐ Form SSA-1099 - Social security benefits	Attach Forms 1099	
☐ Form 1099-G - Unemployment compensation		
Spouse:		
☐ Form SSA-1099 - Social security benefits	Attach Forms 1099	
☐ Form 1099-G - Unemployment compensation		

MISCELLANEOUS INCOME

	2024 Amount	2023 Amount
Alimony received		
Spouse: Alimony received		
Other:		

RETIREMENT PLAN CONTRIBUTIONS

	2024 Amount	2023 Amount
Taxpayer:		
Traditional IRA contributions (1=maximum)		
Roth IRA contributions (1=maximum)		
Self-employed SEP, SIMPLE, & qualified plan contributions (1=maximum)		
Spouse:		
Traditional IRA contributions (1=maximum)		
Roth IRA contributions (1=maximum)		
Self-employed SEP, SIMPLE, & qualified plan contributions (1=maximum)		

OTHER GOVERNMENT FORMS - DEDUCTIONS

	2024 Amount	2023 Amount
☐ Form 1098-E - Student loan interest	Attach Forms 1098	
☐ Form 1098-T - Tuition and related expenses		

Affordable Care Act

☐ Form 1095-A - Health Insurance Marketplace Statement	Attach Forms 1095

ADJUSTMENTS TO INCOME

	2024 Amount	2023 Amount
Taxpayer:		
Self-employed health insurance premiums		
Educator expenses		
Expenses from rental of personal property		
Other adjustments to income:		
Alimony Paid - Recipient name & SSN		
Spouse:		
Self-employed health insurance premiums		

2024	1040	US	Tax Organizer

Please enter all pertinent 2024 information. If you have attached a government form for an item, check the box and do not enter a 2024 amount.

ADJUSTMENTS TO INCOME (Continued)

	2024 Amount	2023 Amount
Spouse:		
Educator expenses		
Expenses from rental of personal property		
Other adjustments to income:		
Alimony Paid - Recipient name & SSN		

MEDICAL AND DENTAL EXPENSES

	2024 Amount	2023 Amount
Prescription medicines and drugs		
Doctors, dentists and nurses		
Hospitals and nursing homes		
Insurance premiums		
Taxpayer: Long-term care premiums		
Spouse: Long-term care premiums		
Insurance reimbursements		
Out-of-pocket lodging and transportation expenses		
Number of medical miles		
Other:		

TAXES PAID

	2024 Amount	2023 Amount
State income taxes - 1/24 payment on 2023 state estimate		
State income taxes - paid with 2023 state extension		
State income taxes - paid with 2023 state return		
State income taxes - paid for prior years and/or to other states		
City/local income taxes - 1/24 payment on 2023 city/local estimate		
City/local income taxes - paid with 2023 city/local extension		
City/local income taxes - paid with 2023 city/local return		
State and local sales taxes paid (except autos and special items)		
Use taxes paid on 2024 purchases		
Use taxes paid on 2023 state return		
Sales tax on autos not included above		
Sales taxes paid on boats, aircraft and other special items		
Real estate taxes - principal residence		
Real estate taxes - property held for investment		
Foreign income taxes		
Other:		
☐ Personal property taxes (including automobile fees in some states)	**Attach Tax Notice**	

2024	1040	US	Tax Organizer

Please enter all pertinent 2024 information. If you have attached a government form for an item, check the box and do not enter a 2024 amount.

INTEREST PAID

	2024 Amount	2023 Amount
Home mortgage interest and points paid		
	Attach Forms 1098	
Home mortgage interest not on Form 1098 (include name, SSN, & address of payee)		
Points not reported on Form 1098		
Investment interest (interest on margin accounts):		
Passive Interest		

CASH CONTRIBUTIONS

Note: No deduction is allowed for cash or check contributions unless the donor maintains a bank record, or a written communication from the donee, showing the name of the organization, contributions date(s), and contribution amount(s).

Volunteer Expenses (out-of-pocket)		
Number of charitable miles		

NONCASH CONTRIBUTIONS

Note: No deduction is allowed for contributions of clothing and household items that are not in good used condition or better. In addition, a deduction for any item with minimal monetary value may be denied.

MISCELLANEOUS DEDUCTIONS

Union and professional dues		
Tax return preparation fee		
Safe deposit box rental		
Investment expenses		
Estate tax, section 691(c)		
Unreimbursed employee expenses:		
Other:		

2024	1040	US	Rental & Royalty Income (Schedule E)	No. 1	18

Please enter all pertinent 2024 amounts. Last year's amounts are provided for your reference.

GENERAL INFORMATION

	2024 Amount	2023 Amount
Description of property	. .	**Type of Property** 1 = Single Family Residence 2 = Multi-Family Residence 3 = Vacation / Short-Term Rental 4 = Commercial 5 = Land 6 = Royalties 7 = Self-Rental
Street address		
City		
State		
ZIP code		
Type of property (see table)		
Other type of property		
Number of days rented	34	

Percentage of ownership if not 100% (.xxxx)		1=did not actively participate	
Percentage of tenant occupancy if not 100% (.xxxx)		1=real estate professional	
1=spouse, 2=joint		1=rental other than real estate	
1=qualified joint venture		1=investment	
1=nonpassive activity, 2=passive royalty		1=single member limited liability company	

If required to file Form(s) 1099, did you or will you file all required Form(s) 1099: 1=yes, 2=no

INCOME

	2024 Amount	2023 Amount
Rents or royalties received		

DIRECT EXPENSES

NOTE: Direct expenses are related only to the rental activity. These include rental agency fees, advertising, and office supplies.

	2024 Amount	2023 Amount
Advertising		
Association dues		
Auto and travel (not entered elsewhere)		
Cleaning and maintenance		
Commissions		
Gardening		
Insurance		
Legal and professional fees		
Licenses and permits		
Management fees		
Miscellaneous		
Mortgage interest (paid to banks, etc.)		
Excess mortgage interest		
Other interest (not entered elsewhere)		
Painting and decorating		
Pest control		
Plumbing and electrical		
Repairs		
Supplies		
Taxes - real estate		
Taxes - other (not entered elsewhere)		
Telephone		
Utilities		
Wages and salaries		
Other:		

NOTE: If you purchased or disposed of any business assets, please complete Sheet 22.

2024	1040	US	Additional Information

Please furnish any additional information or supporting details not provided elsewhere in this tax organizer.