

Eva Smith & Associates, EA
Tax Preparation and Consulting

1290 B Street - Suite 114 • Hayward, CA 94541
PH: (510) 889-8885 • FX: (510) 889-8765
taxes@estaxservices.com • www.estaxservices.com

Greetings and Happy New Year! The 2009 tax season is here and we look forward to working with you.

It has been a “roller-coaster ride” of a year. While I have had my share of calls from clients that have experienced layoffs, home foreclosures and closed businesses, I have also heard from others that have become first-time homebuyers, sent children to college and launched new businesses. Whichever side of the coin you find yourself on, please know I am here to walk along side you. As always, I am committed to making sure the tax law is clearly interpreted and applied to your individual situation. **We can get through this tax season – TOGETHER!**

There are many new tax law changes that have been established or extended for the 2009 tax year. Changes that will affect most 2009 taxpayers have been highlighted below. Please make a note of any questions and we can discuss them during your tax appointment.

Summary of 2009 Tax Law Changes:

- Exclusion of Unemployment Compensation
- Changes to qualified tuition programs — “529 Plans”
- Expanded work opportunity credits for employers
- Required Minimum Distribution (RMD) changes
- Enhanced First-time Homebuyer credits
- Plug-in electric vehicle credits
- Tax breaks for new car buyers
- Expanded homeowner energy credits
- Expanded tax credit for college expenses
- Making Work Pay Credits
- Business tax changes
- Energy tax incentives
- Mortgage debt relief extensions
- Tax relief extensions through 2009
- COBRA premium subsidies
- Alternate Minimum Tax Relief
- Five-year NOL carryback for small business owners

WHAT TO BRING:

- Tax Worksheets
- Signed “Agreement for Tax Preparation Services”
- All W2s and/or 1099s from 2009
- All Year-End Statements from Investments or Interest-Earning Bank Accounts
- Dependent Information (the exact spelling of their names, social security numbers and birth dates)
- Mortgage Interest Statements, Property Tax Payments
- Closing Statements from any Real Estate Transactions
- Daycare Expenses - Name, Address & Tax ID # or Social Security Number
- Auto Registration, Charitable Contributions, Medical Expenses, Tuition/Class Expenses
- **Businesses/Self-Employed Only: All Income & Expenses for the Year**

Please find the attached worksheets to help you prepare and organize. Please complete the organizer to the best of your ability prior to your tax appointment and bring it with you. If a form is not relevant to your situation, please disregard it.

CONTRACT, FEES AND DISCOUNTS:

The attached “Agreement for Tax Preparation Services” must be read and signed prior to commencement of any tax work. We accept cash, checks, M/C, Visa and Discover. You may also choose to pay your fee through your refund, applicable third party fees will be charged.

We offer a 10% discount if you fax, drop-off, mail or email your taxes to us by March 31st. If you choose to do this, be sure to clearly identify yourself and include your current address and phone numbers. Email taxes@estaxservices.com.

TAX SEASON HOURS:

January-April 2010

Mon-Fri: 9am-6pm

Saturdays (2x/mth): 9am-3pm

APPOINTMENTS:

Appointments are pre-scheduled but we can certainly accommodate a more convenient time for you – call us to reschedule. Please be prompt or your appointment could be cut short or need to be rescheduled.

TELEPHONE CONSULTATIONS:

It is very difficult for me to take phone calls during regular business hours from January through April. Should you need a question answered, please leave a message with the staff along with both day and evening phone numbers where you can be reached. Calls will be returned promptly. Emailing is always available as an alternate. You can reach me at: estaxservices@yahoo.com.

EXTENSIONS*:

If you are asked to provide more information, please do so as quickly as possible. If all information is not in our office by April 10th it may be necessary to put your tax return(s) on extension.

If you wish to file your tax return after April 15th, we can file an extension for you for a \$25 fee. You will then have until October 15th to file your tax return. There is no IRS/FTB penalty for filing an extension. However, any tax liability due is still considered late after April 15th and will incur interest.

**Corporate returns are due March 15th - an extension will be necessary if you are unable to make this deadline.*

BUSINESS & RENTAL PROPERTY OWNERS:

Remember that W2s and 1099s must be issued by February 1, 2010. Forms 1099 are required to report payments for services rendered to an individual or business of \$600 or more. If you'd like to hire us for this service or are uncertain what to file, please call us.

PLEASE NOTE:

*We cannot mail any correspondence, tax returns or paperwork to a third party on your behalf.

*All income earned in 2009 must be reported (incl. hobby, trades or misc income received).

*If you have contributed \$250 or more to a charity on any given day, you must have a receipt from that charity. Donations of goods (ex: clothing or household items) also require receipts stating the name and address of the organization, the date of donation and the dollar value of goods given. If you contribute more than \$500, we need detailed information.

OFFICE ADDRESS:

Gatehouse Plaza Office Building

1290 B Street - Suite 114, Hayward, CA 94541

We are located between 2nd & 3rd Street - parking lot is accessible from 3rd Street.

(Directions on back of this letter)

REFERRALS:

We appreciate referrals of your friends, business associates and relatives.

We're always working in your best interest to interpret and apply IRS/FTB rules and regulations to your advantage. We are pleased that you have continued to use our services. Your patronage is valued and appreciated. Thank you!

Sincerely,

Eva Smith, EA

(FOR BACK OF LETTER)

DIRECTIONS FROM 880

From 880 S – Take the A Street exit and turn LEFT onto A Street

From 880 N – Take the A Street exit and turn RIGHT onto A Street

Follow A Street about 2.5 miles

Turn RIGHT on 3rd Street and park in Gatehouse Plaza parking lot

DIRECTIONS FROM 580 E

Take Hayward Exit and remain on Foothill Blvd (do not take 238 exit)

Turn LEFT on City Center Drive (WAMU is on the left side of this intersection)

Turn RIGHT onto 2nd Street

Turn LEFT onto A Street

Turn RIGHT on 3rd Street and park in Gatehouse Plaza parking lot

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**AGREEMENT FOR TAX PREPARATION SERVICES
TAX YEAR 2009**

By signing this statement, you acknowledge that:

You have engaged the office of Eva Smith & Associates, EA for income tax services. Our joint responsibilities are as follows:

1. **You will review the returns prior to signing and mailing them.** The information that you provide for our use in preparation will not be independently verified unless you request that we do so.
2. Our office will treat any information received from you as confidential and subject to disclosure only at your written request or as required by law for regulatory purposes.
3. The Internal Revenue Service and Franchise Tax Board both require retention of records substantiating all items reported on your return. *You agree to keep copies of all returns for not less than seven years.* For duplicate copies of your return or accompanying paperwork, you will be charged a \$15 fee.
4. There are many tax authorities as to how you may report (or not report) an item or transaction on your tax return, and these are constantly changing. We will use our best judgment in resolving questions where there are such conflicting authorities, and resolve such questions where there are such conflicting authorities, and resolve such questions in your favor whenever possible. You have final responsibility for the correctness and handling of each item on your own return.
5. If your tax returns are subsequently audited by the Federal or State income tax agencies, regardless of whether we prepared the returns, we can represent you at your examination. Representation is considered a separate transaction from tax preparation. Fees for representation are at billing rate of \$85/hr.
6. Fees for services will be computed according to our current *Pricing Sheet*. Fees are due upon completion of work. Unpaid accounts are subject to interest (1.6% per month, or 19.2% per year). After 90 days, unpaid accounts will be sent to Collections with an additional fee of \$50.

All tax returns must be paid for in full prior to being released from our office.

Eva Smith & Associates, EA may terminate this agreement if any of the following occur:

1. Nonpayment or late payment of fees.
2. Untruthfulness in any matter relating to this return.
3. Non-responsiveness in answering requests for information.
4. Any other circumstances deemed appropriate.

If the above fairly sets forth your understanding of the agreement, please sign this agreement and bring it to us the day of your tax appointment.

ACCEPTED BY:

SIGNATURE OF CLIENT

SIGNATURE OF CLIENT

DATE

DATE

EVA SMITH, E.A.

DATE