Hickman and Hickman, PLLC
1248 Freiheit Road
New Braunfels, TX 78130

Dear Friends and Clients,

We hope this letter finds you healthy and blessed. We are geared up for the 2019 tax filing season and would like to remind you of our firm's tax preparation processes. We highly encourage the use of our website www.hh-cpas.com as a valuable tool to help you gather your tax documents, be informed of deadlines and provide helpful information to you throughout the year.
The IRS has determined that one of the main targets for data theft is tax preparation companies. Many electronic intruders get in the back door through email attachments. We take protecting our office and your data very seriously. W**e have a "No Click" policy for any attachments you send via email to our office**. Please use your client portal to securely send us data electronically. Simply login on our web page or using the following link:
https://www.officetoolsportal.com/portal/login/

We have attached our 2018 Tax Package to assist you in gathering your documents and information necessary for us to prepare your 2018 income tax return. Please complete the organizer questions and provide supporting information and documentation where necessary.
The filing deadline is April 15th, 2019. To ensure your return is complete and timely filed, we must receive your *completed* tax package by March 18th, 2019. If we have not received your information by this date, you may be subject to additional fees and an extension may need to be filed.

Tax Package Instructions

Your tax package includes the following items; these are required Items – we cannot begin the preparation of your tax return until these items are returned to our office with your tax documents.

- **Agreement for Engagement of Income Tax Services** - This agreement confirms that you are engaging our office to prepare your income tax return and confirms you have read and agree to the privacy policy. **You must sign and date the agreement letter where indicated and return it with your tax information.** If you are filing a joint return, both you and your spouse **must** sign the agreement.

- **Organizer** - The questionnaire provides us with information needed to accurately prepare your tax return. You must complete this questionnaire and return it to our office with your tax information.. *If you prefer a more detailed organizer, this is available upon request.*

Please send in your information via your preferred method, uploading documents to your **portal (max of 3 pdf files)**, drop off, or mail in. If you would like to make an appointment, please call our office or login to your portal to schedule the appointment online. We will do our best to prepare and file your tax return as soon as possible. **We will never file your tax return unless we have received your signed form 8879 -e-file authorization form**. We will text, call or email you when your return is complete and ready for you to review and sign. Your invoice must be paid in full before we will e-file your return.

We appreciate and value your continued patronage. We know you have many choices when it comes to your tax preparation. Like us on Facebook to see tax tips and information updates.

Hickman and Hickman, PLLC

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AGREEMENT FOR ENGAGEMENT OF INCOME TAX SERVICES

Taxpayers Name(s) ____

This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. To ensure an understanding of our mutual responsibilities, we are asking you to confirm the following arrangements.

We will prepare the **2018 Form 1040** US Individual Income Tax Return and requested State tax returns from information which you will furnish to us. We will make no audit of or otherwise verify the data you submit, although it may be necessary to ask you for clarification of some of the information. We will furnish you with questionnaires and/or worksheets as appropriate to guide you in gathering the necessary information. We will use professional judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions.

This engagement pertains only to the tax year identified above. It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You should retain all the documents, canceled checks, and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. In the event information is requested by any of the parties signing this return, that information will be furnished without obtaining the additional consent of any other party. You have final responsibility for your tax returns. We will provide you with a copy of your tax returns and accompanying schedules and statements for review prior to filing with the IRS and state and local tax authorities, as applicable. You agree to review and examine them carefully for accuracy and completeness.

You will be required to verify and sign a completed Form 8879, *IRS e-file Signature Authorization*, and any similar state and local equivalent authorization form and return this to our office before your returns can be filed electronically. In the event that you do not wish to have your tax returns filed electronically, please contact our firm. Additional procedures will apply. You will be responsible for reviewing the paper returns for accuracy, signing them, and filing them timely with the tax authorities.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover fraud, embezzlements, or other irregularities, should any exist. We will render such accounting and bookkeeping assistance as determined to be necessary for preparation of the income tax returns. We will retain our work papers and a copy of your tax return for your engagement for six years. All of your original records will be returned to you with your tax return. If you should need additional copies of your tax return, we will provide that directly to you for an additional fee**.**

Your returns may be selected for review by the taxing authorities. If your tax return is selected for examination or audit, you may request that we assist you in responding to such inquiry. In that event, we would be pleased to discuss providing assistance to you under the terms of a separate engagement for that specific purpose.

Fees for our services are based on our normal firm rates; you may request an estimate of that fee upon submission of your information. Prepared returns may not be released or electronically filed without full payment.

Our maximum liability to you arising for any reason relating to services rendered under this letter shall be limited to the amount of fees you paid for these services. In the event of a claim by a third party relating to services under this letter, you will indemnify us from all such claims, liabilities, costs and expenses, except to the extent determined to have resulted from our intentional or deliberate misconduct. If any dispute arises (between/among) the parties hereto, the parties agree first to try in good faith to settle the dispute through non-binding mediation. The costs of mediation shall be shared equally by the parties.

The parties agree that, if any dispute cannot be settled through mediation, the dispute may then be brought before a court of competent jurisdiction, but the matter will ultimately be decided by the court, sitting without a jury. **The parties recognize they have *knowingly and voluntarily* agreed to waive all rights to have any such dispute determined by a jury**, but otherwise retain all rights afforded under the applicable civil justice system.

This agreement also informs you of our privacy policy (our full privacy policy is available on our web page). We value your trust and confidence and want to assure you that we keep information about you secure and confidential. We adhere to the highest level of professional ethical standards and obligations to protect the confidentiality of all client information. We do not disclose any non-public personal information about our clients or former clients to anyone. We restrict access to non-public personal information to those professionals necessary to prepare your income tax return, and maintain physical, electronic and procedural safeguards to protect your non-public information.

If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter in the space indicated and return it to our office. However, if there are other tax returns you expect us to prepare, please inform us by noting so on page 2 of this agreement. If we do not receive the executed copy of this agreement from you, receipt of your tax return data, (and/or organizers for Individuals), will acknowledge your acceptance of the terms of this agreement.

Both taxpayer and spouse must sign this agreement. If for any unforeseen reason, a spouse is not able to sign, please read and fill in the area below the signature box.

Accepted by: ______________________________   ____________________________________
Taxpayer   Spouse (if applicable)

Date: ____________________________________

"This engagement letter is signed by _________________________ on behalf of her/himself and for and on

behalf of ____, wife and husband and their marital
(both taxpayer and spouse first and last names)

community with full authority to sign on his/her and their behalf."

2018 | 1040 | US | Tax Return Questionnaire

If any of the following items pertain to you or your spouse for 2018, please check the appropriate box and provide additional information if necessary.

If you are uploading your supporting documents to your portal, please keep in mind we will only accept 3 PDF files. If there are more, our system will not accept them and you will receive an automatic notification rejecting the files. If you are unable to condense the files, please drop them off or mail them to our office.

WE ARE UNABLE TO PREPARE RETURN WITHOUT THIS INFORMATION

Taxpayer Cell Phone: ____________________ Spouse Cell Phone: ____________________

Taxpayer Email: ____________________ Spouse Email: ____________________

PERSONAL INFORMATION

Yes No

☐ ☐ Did your marital status change during the year?

If yes, please provide date of change and how it changed.

____

☐ ☐ Did your address change during the year?

If yes, please provide new address.

____

☐ ☐ Could you be claimed as a dependent on another person's tax return for 2018?

☐ ☐ Are you required to file a tax return in any other state?

If yes, provide the name of all states.

____

DEPENDENTS

Yes No

☐ ☐ Were there any changes in dependents?

If adding, please provide name and date of birth. **Additions MUST provide a copy of SS card**

Add: ____________________ Remove: ____________________

____________________ ____________________

____________________ ____________________

☐ ☐ Did any of your dependents claim themselves in 2018?

If yes, please provide the name of the dependent. Did they earn more than $12,000 on a W2?

____

☐ ☐ Did you have any children under age 19 or full-time students under age 24 at the end of 2018 with interest and dividend income in excess of $950, or total investment income in excess of $2,100?

If yes, please provide the name of the dependent.

____

2018	1040	US	Tax Return Questionnaire

HEALTH CARE COVERAGE

Yes	No	
☐	☐	Did you and your dependents have health care coverage for the **full-year?**
☐	☐	Did you and your dependents have health care coverage for **only part of the year?**

If yes, what months did you and your dependents have coverage?

____

Yes	No	
☐	☐	Did you receive Form 1095-A (Health Insurance through Marketplace)? **In order to receive credit for this, please attach all forms.**
☐	☐	Did you receive Form 1095-B (Health Coverage Directly through Insurance Company) or Form 1095-C (Employer Provided Health Insurance Offer and Coverage) **In order to receive credit for this, please attach all forms.**
☐	☐	If you or your dependents did not have health care coverage during the year, do you fall into one of the following exemption categories: Indian tribe membership, health sharing ministry membership, religious sect membership, incarceration, exempt non-citizen or economic hardship?

If yes, please identify the exception and attach any exemption certificate received.

____

Yes	No	
☐	☐	Did you have health insurance coverage through Medicare, Medicaid, Tricare or the VA for 2018?

INCOME

Yes	No	
☐	☐	Did you work for a company or multiple companies and receive a W-2? If yes, please attach all W-2's from your employers. # of W-2's you have ______.
☐	☐	Did you receive any interest income? If yes, please attach all 1099-INT Forms.
☐	☐	Did you receive any dividend income? If yes, please attach all 1099-DIV Forms.
☐	☐	Did you have sole proprietor income? **If yes, please attach all 1099-MISC Forms AND financial statements or the Schedule C worksheet provided on our website resources page**.
☐	☐	Did you have rental income? **If yes, please attach all 1099-MISC Forms AND financial statements or the Schedule E worksheet provided on our website resources page.**
☐	☐	Did you receive royalty income? **If yes, please attach all 1099-MISC Forms.**
☐	☐	Did you receive any K-1's from Partnership, S Corporation or Trust income? **If yes, please attach all K-1 Forms.**
☐	☐	Did you have any farm income? **If yes, please attach all 1099-MISC and 1099-PATR Forms AND financial statements or the Schedule F worksheet provided on our website resources page**.

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Yes No

☐ ☐ Did you receive any disability income?

☐ ☐ Did you receive any unemployment compensation? If yes, please attach all 1099-G Forms.

☐ ☐ Did you receive alimony?

If yes, please provide name of payor, SSN and amount received.

☐ ☐ Did you receive any gambling winnings? If yes, please attach all W2-G Forms.

☐ ☐ Did you receive income from Bitcoin, Air BNB, Etsy, Ebay, Turo or a similar consumer program?

If yes, indicate which source and how much was received.

☐ ☐ Did you receive any jury duty pay? If yes, how much? ____________________

☐ ☐ Did you receive any prizes or awards? If yes, please attach all 1099-MISC Forms.

☐ ☐ Did you receive any state or local income tax refunds? If yes, please attach all 1099-G Forms.

☐ ☐ Did you receive a gift of more than $15,000 or more from one person or from a trust?

☐ ☐ Did you receive unreported tip income of $20 or more in any month?

☐ ☐ Did you cash any Series EE U.S. savings bonds issued after 1989 and pay qualified higher education expenses for yourself, your spouse, or your dependents?

☐ ☐ Did you receive any foreign income?

PURCHASES, SALES AND DEBT

Yes No

☐ ☐ Did you start a business or farm, purchase rental or royalty property, or acquire an interest in a partnership, S corporation, trust, or REMIC? **Circle which applies to you.**

If yes, please provide details and attach any relevant documents.

☐ ☐ Did you purchase or dispose of any business assets (furniture, equipment, vehicles, real estate, etc.), or convert any personal assets to business use? If yes, please indicate which assets on the Schedule C or Schedule E worksheet provided on our website resources page.

☐ ☐ Did you buy or sell any stocks, bonds or other investment property in 2018? If yes, please attach all 1099-B Forms.

☐ ☐ Did you sell or do you plan to sell any dividend generating stocks or mutual funds during the first 60 days of 2019?

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Yes No

☐ ☐ Did you receive a grant of, or exercise any non-qualified stock options or restricted stock during 2018? **If yes, please attach all 3921 and 3922 Forms from your employer**.

☐ ☐ Did you purchase, sell, refinance your principal home or second home, or take out a home equity loan? **Circle which applies to you**.

If yes, required: provide the HUD or Closing Statement from the sale and/or purchase of the home.

___

☐ ☐ Did you purchase a home in 2018 while you were overseas on official extended duty?

☐ ☐ Did you receive a new homebuyer credit on your 2008 income tax return?

☐ ☐ Did you make any residential energy-efficient improvements or purchases involving solar, wind, geothermal or fuel cell energy sources? If yes, please attach receipts.

☐ ☐ Did you have any debts canceled or forgiven? If yes, please provide all 1099-C Forms.

☐ ☐ Does anyone owe you money which has become uncollectible?

If yes, please provide the amount and how the debt became uncollectible.

___

RETIREMENT PLANS

Yes No

☐ ☐ Did you receive a distribution from a retirement plan (401(k), IRA, SEP, SIMPLE, Qualified Plan, etc.)? **Each company you received a retirement distribution from MUST issue you a 1099-R. # of 1099R's you have ___________.**

☐ ☐ Did you or your spouse make a contribution to a retirement plan (401(k), IRA, SEP, SIMPLE,Qualified Plan, etc.)? If outside of your employer and after tax, provide amounts for YOU $___________ SPOUSE $____________.

☐ ☐ Did you or your spouse receive social security benefits? If yes, provide SSA 1099 forms.

☐ ☐ Did you transfer or rollover any amount from one retirement plan to another retirement plan?

☐ ☐ Did you convert part or all of your traditional, SEP, or SIMPLE IRA to a Roth IRA in 2018?

EDUCATION

Yes No

☐ ☐ 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? **In order to receive the credit, please provide 1098-Q or 1098-T.**

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Yes No

☐ ☐ Did you, your spouse, or a dependent pay any student loans? **In order to receive the credit, please provide 1098-E.**

☐ ☐ Did you receive any scholarships or fellowships, **not included on the forms above?**

If yes, how much? ______________________________

ITEMIZED DEDUCTIONS

Yes No

☐ ☐ Did you pay any out of pocket medical expenses, **not including any health insurance premiums**?

If yes, how much? ______________________________

☐ ☐ Did you pay any health insurance premiums **directly to an insurance company** and not through an employer cafeteria plan?

If yes, how much? ______________________________

☐ ☐ Did you pay long term care insurance payments?

If yes, how much? ______________________________

☐ ☐ Did you have miles driven for medical?

If yes, how many? ______________________________

☐ ☐ Did you pay mortgage interest on your primary residence? If yes, attach all 1098 Forms. If seller financed, please provide a statement or amortization schedule.

☐ ☐ Do you have a home equity loan that was **not used** to build or improve your residence?

☐ ☐ Did you pay property taxes, **not included on your 1098 Form?**

If yes, how much was paid in 2018?

____

☐ ☐ Did you have any child care expenses in 2018?

If yes, please provide the name of the child, child care organization and federal ID number, and expense total. ______________________________

☐ ☐ Did you give **cash** gifts to chairty?

If yes, how much? ______________________________

☐ ☐ Did you give **non-cash** gifts to charity?

If yes, please provide the type of items, total original cost and total value.

____

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Yes No

☐ ☐ Do you have a record of your miles driven for charity?

If yes, how many miles? ____

☐ ☐ Was your home rented out or used regularly and exclusively for a business?

If yes, please provide total square footage of the home & square footage of the office space.

____

☐ ☐ **Did you incur moving expenses due to a permanent change of station for Armed Forces?**
In order to receive the credit, please provide the following miles:
Old home to new work _________________________
Old home to old work _________________________
Old home to new home _________________________

☐ ☐ Did you engage the services of any household employees? If yes, please provide any payroll forms you have prepared.

☐ ☐ Did you pay: Alimony____ Adoption expenses ____

If checked, please provide details.

____

☐ ☐ Did you incur a loss because of damaged or stolen property?

If yes, please provide date, description of property, and fair market value.

____

☐ ☐ Were you reimbursed by your insurance company for the above property in an amount greater than the fair market value?

If yes, how much was the total reimbursement?

____

☐ ☐ Did you have sales tax from the purchase of a new car, boat, plane, tractor, etc.?

If yes, indicate which purchase and how much?

____

☐ ☐ Did you pay any foreign taxes?

ESTIMATED TAXES

☐ ☐ Did you make estimated tax payments during the year?

If yes, please provide the date and amount for each payment.

________________________________ ________________________________
________________________________ ________________________________
________________________________ ________________________________
________________________________ ________________________________

2018	1040	US	Tax Return Questionnaire

Yes No

☐ ☐ Did you apply an overpayment of 2017 taxes to your 2018 estimated tax (instead of being refunded)?

If yes, how much was the overpayment?

____

☐ ☐ If you have an overpayment of 2018 taxes, do you want the excess applied to your 2019 estimated tax **(instead of being refunded)**? **If you have an unpaid tax liability, be aware the IRS may apply the refund to the outstanding tax due and not the tax year indicated.**

☐ ☐ Do you expect your 2019 taxable income and withholdings to be different from 2018?

MISCELLANEOUS

Yes No

☐ ☐ Do you want to electronically file your tax return?

☐ ☐ May the IRS discuss your tax return with your preparer?

☐ ☐ Would you like us to file an extension on your behalf if all of your information is not in our office by March 18th?

☐ ☐ Do you want to have your return delivered via docusign?

☐ ☐ Do you or your spouse want to allocate $3 to the Presidential Election Campaign Fund?
You______ Spouse ______

☐ ☐ Were you notified or audited by either the Internal Revenue Service or the State taxing agency?
If so, please explain ____

____

____

____

____

☐ ☐ Do you have an existing installment agreement with IRS?

☐ ☐ **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?**

☐ ☐ Did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust or did you have an interest in any foreign assets or accounts?

☐ ☐ Did you have a medical savings account (MSA), a health savings account (HSA), a Medicare + Choice MSA, or acquire an interest in an MSA or a Medicare + Choice MSA because of the death of the account holder?

☐ ☐ Were you a policyholder who received payments under a long-term care (LTC) insurance contract or received any accelerated death benefits from a life insurance policy?

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Yes No

☐ ☐ Did you receive a distribution from an Achieving a Better Life Experience (ABLE) savings account?

☐ ☐ Did you or your spouse make any gifts to an individual or to a trust that total more than $15,000 in 2018?

☐ ☐ Have you filed your taxes with us in prior years?

DIRECT DEPOSIT & BANK INFO

Yes No

☐ ☐ Do you want to directly deposit any refunds?

If yes, please provide your banking information below. If your banking information hasn't changed from last year, we will use the accounts you provided for your 2017 refund.

☐ ☐ Do you want to pay any tax liability via ACH from your bank account? If yes, provide the amount $________________ and account it should be deducted from below.

☐ ☐ Did your bank account information change within the last twelve months?

If yes, and you want your refund directly deposited or your tax liability taken out of your account, please provide the correct account information.

Routing # _______________________________ Account # ____________________________________

SIGNATURES

Taxpayer:____

Spouse:____