Hickman and Hickman, PLLC
1248 Freiheit Road
New Braunfels, TX 78130
P: (830)626-5554 F:(830)626-5556

UPDATED FOR DATES: We hope you are all healthy and well. **We are not meeting face to face at this time due to Covid-19, however our office remains open.** We are prepared to accept all documents electronically and as always via our drop slots. We are limiting foot traffic in our building; however, we are accepting hand delivered documents when needed at this time.

HELFPUL LINKS:

- Our website resources tool to help you gather your tax documents www.hh-cpas.com
- Your portal for transmitting documents back and forth https://www.officetoolsportal.com/portal/login/

We have attached our annual 2020 Tax Package to assist you in gathering your documents and information necessary for us to prepare your 2020 income tax return. These are required every year for us to prepare your tax return and we appreciate your time, so we have done our best to keep it as simple as possible.

IMPORTANT INFORMATION

- **If you are a Texas Resident, the filing deadline has been extended to June 15, 2021**. **Non-Texas Residents, the filing deadline remains at April 15, 2021.**

- We must receive your ***completed*** 2020 Tax Package (Agreement and Questionnaire), along with all your tax documents by May 18, 2021 (Texas Residents) or March 15, 2021 (Non-Texas Residents). You must complete the questionnaire. If we have not received all your information by this date, you may be subject to additional fees and an extension may need to be filed. The sooner we get your information, the better job we can do for you.

HOW WE RECEIVE YOUR INFORMATION FROM YOU

- Your client portal- **MAX OF 3 PDF FILES** (unlimited pages within a pdf), no zip files or pictures accepted.
- Drop off via drop slot in main door or larger drop bin next to main door, or in office.
- Mail in

ONCE YOUR TAX RETURN IS COMPLETED ***(Be sure to notate delivery preference)***

1. You will be notified by:
   - **Docusign service**
   - **Text**
   - **Email**
   - **Phone**
2. You (and your spouse if applicable) need to:
   a. **Review your tax return for accuracy**
   b. **Pay the preparation fee**
   c. **Return the signed Form 8879 (e-file authorization) to our office as soon as possible.**
3. We will:
   a. **E-file your tax return as soon as we receive both your signed Form 8879 and payment for services.**

We will never e-file your tax return unless we receive your signed Form 8879.

Thank you for your trust and confidence in our services, we value your continued patronage. We are looking forward to a great tax season! Like us on Facebook to see tax tips and information updates.

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AGREEMENT FOR ENGAGEMENT OF INCOME TAX SERVICES

TAXPAYER(S) NAME: ____

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 2020 Form 1040 US Individual Income Tax Return and the following 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. If you fail to pay for our services in full on or before the due date set forth on our invoices, statements or fees, we reserve the right to assess you with a monthly service charge equal to 1% of all fees and disbursements which are past due. This monthly service charge will be billed to you at the beginning of each month in which a late payment occurs. In no event will the service charge be greater than permitted by any applicable law.

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- **PRINT NAME** Taxpayer-**SIGNATURE**

______________________________ ______________________________

Spouse (If Applicable)-**PRINT NAME** Spouse (If Applicable)-**SIGNATURE**

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."

If any of the following items pertain to you or your spouse for 2020,
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 in the office, thru the drop slot or mail them to our office.

WE ARE UNABLE TO PREPARE YOUR RETURN WITHOUT THIS INFORMATION

Taxpayer Cell Phone: _______________________________ Spouse Cell Phone: ______________________________

Taxpayer Email: ___________________________________ Spouse Email: ____________________________________

How do you want your Tax Return delivered?

_____DOCU SIGN _____PORTAL _____OFFICE PICK UP _____MAIL

**** If you are a new client, please provide copies of the last 3 years' tax returns.**

FOREIGN ACTIVITY

Yes No *Please place an "X" in the correct column.*

Yes	No	
		Did you or your spouse receive any foreign income?
		Did you or your spouse pay any foreign taxes?
		Did you or your spouse 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? **Initials** __________
		Did you or your spouse receive a distribution from, or were you the grantor of, or transferor to, a foreign trust or have an interest in any foreign assets or accounts? **Initials** ___________

PERSONAL INFORMATION

Yes No *Please place an "X" in the correct column.*

Yes	No	
		Did your marital status change during 2020? If yes, please provide date of change and how it changed. ____
		Has your address changed as of today? If yes, please provide new address. ____
		Could you be claimed as a dependent on another person's tax return?
		Are you or your spouse required to file a tax return in any other state? If yes, provide the name of all states and dates lived or worked in each. _________________________________
		Are you or your spouse legally blind? ________ **You** ________ **Spouse**

DEPENDENTS

Yes No *Please place an "X" in the correct column.*

Are there any changes in dependents from the prior year?

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 on their own return in 2020? If yes, provide the name of the dependent. Did they earn more than $12,000 on a W-2? ____

Did you or your spouse have any child care expenses in 2020?

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

____

Did you or your spouse have any children under age 19 or full-time students under age 24 at the end of 2020, with interest and dividend income in excess of $1,100 or total investment income in excess of $2,200

COVID-19

Yes No *Please place an "X" in the correct column.*

Did you or your spouse receive **one or both** Stimulus / Economic Impact Payments related to the Cares Act? If yes, please provide each amount received. ***There were two rounds of payments; the first payment was sent out in mid to late Spring 2020 and the second payment was sent out in January 2021. Both payments will be reconciled on your 2020 tax return. ________________ & ________________***

Did you or your spouse receive a Paycheck Protection Program (PPP) Loan?

If yes, how much did you receive? $_________________________

If yes, have you already been approved for forgiveness? If so, how much was forgiven? $________________

If yes, have you applied for forgiveness or are you awaiting approval for forgiveness? ________________

If so, how much do you anticipate will be forgiven? $_______________

Did you or your spouse receive funds from the Emergency Injury Disaster Loan (EIDL) program?

If yes, how much was received as an Advanced Grant? $__________________

If yes, how much was received as a repayable loan? $_____________________

Did you or your spouse give cash gifts to charity, **specifically for Covid-19**? If yes, how much? __________

Did you or your spouse receive a distribution from a retirement plan (401(k), 403(b) and IRAs) **specifically due to experiencing a Covid related adversity?**

HEALTH CARE COVERAGE

Yes No *Please place an "X" in the correct column.*

Did you or your spouse receive Form 1095-A (Health Insurance through Marketplace)?

In order to receive credit for this, please attach all forms. The IRS will not process your return if not reported.

INCOME

Yes No *Please place an "X" in the correct column.*

Yes	No	
		Did you or your spouse work for a company or multiple companies and receive a W-2? If yes, please attach all W-2's from your employers. **Number of W-2's you have: _______**
		Did you or your spouse receive any interest income? If yes, please attach all 1099-INT Forms.
		Did you or your spouse receive any dividend income? If yes, please attach all 1099-DIV Forms.
		Did you or your spouse have sole proprietor income? If yes, please attach all **1099-MISC & NEC Forms AND financial statements or the Schedule C worksheet provided on our website resources page.** **If yes, is this business formed as a Single-Member LLC? _____ Yes _____ No**
		Did you or your spouse have rental income? If yes, please attach all **1099-MISC & NEC Forms AND financial statements or the Schedule E worksheet provided on our website resources page.** **If yes, is there a Single-Member LLC for this rental income? _____ Yes _____ No**
		Did you or your spouse receive royalty income? If yes, please attach all 1099-MISC Forms.
		Did you or your spouse receive any K-1's from a Partnership, S Corporation or Trust income? **If yes, please attach all K-1 Forms and Basis Schedules.**
		Did you or your spouse 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.**
		Did you or your spouse receive any disability income?
		Did you or your spouse receive any unemployment compensation? If yes, please attach all 1099-G Forms.
		Did you or your spouse receive alimony? If yes, please provide name of payor, SSN and amount received. ______________________________
		Did you or your spouse receive any gambling winnings? If yes, please attach all W2-G Forms.
		Did you or your spouse 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 or your spouse receive any jury duty pay? If yes, how much? __________You __________Spouse
		Did you or your spouse receive any prizes or awards? If yes, please attach all 1099-MISC Forms.
		Did you or your spouse receive any state or local income tax refunds? If yes, attach all 1099-G Forms.
		Did you or your spouse receive a gift of $15,000 or more from one person or from a trust?

INCOME cont'd

Yes No *Please place an "X" in the correct column.*

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

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

PURCHASES, SALES AND DEBT

Yes No *Please place an "X" in the correct column.*

☐☐ Did you or your spouse 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 or your spouse 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 or your spouse buy or sell any stocks, bonds or other investment property in 2020?
If yes, please attach all 1099-B Forms.

☐☐ Did you or your spouse sell or do you plan to sell any dividend generating stocks or mutual funds during the first 60 days of 2021?

☐☐ Did you or your spouse receive a grant of, or exercise any non-qualified stock options or restricted stock during 2020? **If yes, please attach all 3921 and 3922 Forms from your employer.**

☐☐ Did you or your spouse purchase, sell, refinance your principal home or second home, or take out a home equity loan? **If yes, provide the HUD/Closing Statement from the sale and/or purchase of home(s)**

☐☐ Did you or your spouse purchase a home in 2020 while you were overseas on official extended duty?

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

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

☐☐ Did you or your spouse purchase a new energy-efficient car, truck or van? If yes, provide paperwork.

☐☐ Did you or your spouse 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 *Please place an "X" in the correct column.*

Yes	No	
		Did you or your spouse receive a distribution from a retirement plan (401(k), IRA, SEP, SIMPLE, Qualified Plan, etc.)? **Number of 1099R's you have ________.**
		Did you or your spouse or your spouse make a contribution to a retirement plan (401(k), IRA, SEP, SIMPLE, Qualified Plan, etc.)? **If outside of your employer and with after tax dollars, provide amounts for YOU: $_______ SPOUSE: $_______ You can contribute thru 6/15/2021 (Texas Residents) or 4/15/2021 (Non-Texas Residents) for the 2020 tax year.**
		Did you or your spouse transfer or rollover any amount from one retirement plan to another retirement plan? **If yes, provide all 1099R's received.**
		Did you or your spouse convert part or all of your traditional, SEP, or SIMPLE IRA to a Roth IRA in 2020?
		Did you or your spouse or your spouse receive social security benefits? **If yes, provide SSA 1099 Forms.**

EDUCATION

Yes No *Please place an "X" in the correct column.*

Yes	No	
		Did you or your spouse 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 all 1098-Q or 1098-T Forms.**
		Did you your spouse, or a dependent pay any student loans? **In order to receive the credit, please provide all 1098-E Forms.**
		Did you or your spouse receive any scholarships or fellowships, not included on the forms above? If yes, how much? ____________________

ITEMIZED DEDUCTIONS

Yes No *Please place an "X" in the correct column.*

Yes	No	
		Did you or your spouse pay any out of pocket medical expenses, **not including any health insurance premiums?** If yes, how much? ____________________
		Did you or your spouse pay any health insurance premiums **directly to an insurance company and not through an employer cafeteria plan?** If yes, how much? ____________________
		Did you or your spouse pay long term care insurance payments? If yes, how much? ________You ________ Spouse
		Did you or your spouse have miles driven for medical? If yes, how many? ____________________

ITEMIZED DEDUCTIONS cont'd

Yes No *Please place an "X" in the correct column.*

Yes	No	
		Did you or your spouse 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 or your spouse pay property taxes, **not included on your 1098 Form?** If yes, how much was paid in 2020? ______________________________
		Did you or your spouse give **cash gifts** to charity, **not including amounts given specifically for Covid-19**? If yes, how much? ________________________
		Did you or your spouse give **non-cash gifts** to charity? If yes, please provide the type of items, total original cost and total value. ______________________________ ______________________________
		Do you or your spouse have miles driven for charity? If yes, how many? ________________________
		Was your home rented out or used regularly and exclusively for a business? If yes, please provide total square footage of the entire home & square footage of the office space: ______________________________
		Did you or your spouse 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 _____________________ If yes, please provide dates and amounts. ______________________________
		Did you or your spouse engage the services of any household employees? If yes, please provide any payroll forms you have prepared.
		Did you or your spouse pay: _____Alimony _____Adoption expenses If checked, please provide details. ______________________________
		Did you or your spouse incur a loss because of damaged or stolen personal 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 or your spouse have sales tax from the purchase of a new car, boat, plane, tractor, etc.? If yes, indicate which purchase and how much? ______________________________

ESTIMATED TAXES

Yes No *Please place an "X" in the correct column.*

VERY IMPORTANT
Inaccuracies will slow down the processing, in addition to changes made to your refund or tax due.

☐ ☐ Did you or your spouse make estimated tax payments for the 2020 tax year?
tax year? If yes, please provide the date and amount for each payment below.

______________________________ ______________________________
______________________________ ______________________________
______________________________ ______________________________
______________________________ ______________________________

☐ ☐ Did you or your spouse apply an **overpayment of 2019 taxes to your 2020 estimated tax (instead of being refunded)?** If yes, how much was the overpayment?______________________________

☐ ☐ If you have an overpayment of 2020 taxes, do you want the **excess applied to your 2021 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 2021 taxable income and withholdings to be different from 2020?

MISCELLANEOUS

Yes No *Please place an "X" in the correct column.*

☐ ☐ 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 May 18th (Texas Residents) or March 15th (Non-Texas Residents)?

☐ ☐ Do you want to allocate $3 to the Presidential Election Campaign Fund?
You _______ Spouse _______

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

☐ ☐ Do you have an existing installment agreement with the IRS?
If yes, please list years______________________________

☐ ☐ Did you or your spouse 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?

☐ ☐ Do you or your spouse plan to contribute to a MSA, HSA, or FSA by 6/15/2021 (Texas Residents) or 4/15/2021 (Non-Texas Residents)? If yes, provide amount and type of account. ______________________________

MISCELLANEOUS cont'd

Yes No *Please place an "X" in the correct column.*

Yes	No	
		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?
		Did you or your spouse 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 2020?
		Have you filed your taxes with us in prior years?

DIRECT DEPOSIT & BANK INFO

Yes No *Please place an "X" in the correct column.*

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 2019 refund.

Yes	No	
		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.

Yes	No	
		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 below.

Bank Name ____

Routing # _______________________________ Account # ____________________________________

As we have questions, we will contact you. If you have any questions, concerns or would like to discuss your return prior to or after preparation, please indicate below.

SIGNATURES

Taxpayer:____

Spouse:____