



January 2026

2025 Individual Tax Return Preparation Engagement Letter & Client Questionnaire

Dear Client:

We are pleased to confirm the terms of our engagement with you and to clarify the services we will provide regarding the preparation of your income tax return(s).

We will prepare your 2025 joint (or individual, if applicable) federal income tax return and income tax returns for the state and local taxing authorities in which you deemed yourself a resident in 2025 (collectively, the "returns"). We will rely upon your determination of your state of domicile for purposes of state income tax filing. This engagement pertains only to the 2025 tax year, and our responsibilities do not include preparation of any other tax return years that may be due to any taxing authority. We are responsible for preparing only the returns referenced above. If you have taxable activity in a state or local municipality other than your state of domicile, you are responsible for providing our firm with all the information necessary to prepare any additional applicable state and local income tax returns, as well as informing us of the applicable states and local municipalities. If you have income tax filing requirements in a given state or local municipality but do not file that return, there could be possible adverse ramifications, such as an unlimited statute of limitations, penalties and interest.

Our engagement includes our e-filing of your returns, unless paper filing is required for state or local filings. We will send you the return for your review along with Form 8879, which you must complete, sign, and return to us. We will not e-file until we have received this form. The IRS requires both spouses (if applicable) to sign this form. **If we do not receive the signed 8879 forms and invoice payment on Monday, April 13, 2026, then your return may not be filed and may be extended at an additional fee.** In the event that you have an amount due, we will send with the returns a voucher for the amount due. Unless specifically instructed in writing by you, we will neither file any vouchers nor enroll you in an automatic deposit withdrawal program for electronic payment. Therefore, you will be solely responsible to file the voucher with payment due with the appropriate taxing authorities.

The state and federal laws provide various penalties that may be imposed when taxpayers understate their tax liability. You acknowledge that any such understated tax, and any imposed interest and penalty thereon, are your responsibility and that we have no responsibility in that regard.

Your returns may be selected for review by the taxing authorities, you may receive a notice requesting a response to certain issues on your tax return, or result in changes for your return due to changes in tax laws. Any proposed adjustments by the examining agent are subject to certain rights of appeal. **In the event of tax examination or inquiry, we will be available upon request to represent you, respond to such inquiry, or amend your returns. The time necessary to review and respond to any notices related to this tax year will be billed at standard hourly rates. Additional services requested (including tax planning/advisory, estimate planning, research, notice response, tax audit, etc.) are considered outside the scope of preparing the tax returns. These services will be billed at standard hourly rates.**

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. We prefer, but do not require, you to send tax documents electronically.

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For document security, we recommend use of a secure upload link for transferring the documents. Go to our website <https://lp-cpa.com/> and click on the orange “Upload Documents” button at the top right corner of the page to securely upload your tax documents to the team for processing. Please supply all requested information and for personal returns please enter the word “Individual” in the company field. You may also contact taxinfo@lp-cpa.com or call our office for an accessible link.

The deadline for filing an individual tax return is April 15, 2026. We strongly urge that all information be received by our office 30 days prior to the tax return deadline. If not received 30 days prior to the tax return deadline, we will place the returns on extension at an additional fee. Based on information provided, we will assist you in determining the projected amount of taxes owed for the current year and subsequent year tax estimates. You will need to pay the estimated tax at the time of filing the extension. Penalties and interest that arise due to the underestimation of current year taxes owed or subsequent year tax estimates remitted are your responsibility.

We will not audit or otherwise verify the financial information you provide to us. Accordingly, our engagement cannot be relied upon to disclose errors, fraud, or other illegal acts that may exist. However, we will notify you of any such matters that come to our attention. You are responsible for maintaining adequate records and for maintaining supporting documentation for the preparation of the returns. Furthermore, you are responsible to review and confirm that all of the information presented on your tax return is true, correct, and complete.

ATTACHED TO THIS LETTER IS OUR ORGANIZER TO ASSIST YOU IN INFORMATION GATHERING. ANY BLANKS WILL BE CONSIDERED ZERO AMOUNTS.

Foreign accounts

If you have a financial interest in, or signature or other authority over, bank accounts, securities, or other financial accounts having a value exceeding \$10,000 in a foreign country, you are required to report information regarding these assets. Disclosure may include financial interests in estates, trusts and other financial instruments. Filing requirements apply to taxpayers that have direct or indirect control over a foreign or domestic entity with foreign financial accounts, even if the taxpayer does not have foreign account(s). If you fail to disclose the required information to the U.S. Department of the Treasury, the failure to disclose may result in substantial civil and/or criminal penalties.

If you and/or your entity have a financial interest in any foreign accounts, you are required to file the Form 114 that is required by the U.S. Department of the Treasury. You are responsible for providing us complete foreign information.

Record retention and privacy

You should retain all tax documents necessary to prove the accuracy and completeness of the returns. Our policy to retain your documentation electronically for a period of seven years, after which they may be destroyed. Your original records will be returned upon completion of the engagement.

The preparation of joint returns requires each spouse to sign and each individual is our client. You each acknowledge that there is no expectation of privacy from the other concerning our services in connection with this engagement, and we are at liberty to share with either of you, without the prior consent of the other, any and all documents and other information concerning preparation of your returns.

Utilization of AI

In our ongoing effort to enhance efficiency and effectiveness of our services, we may employ artificial intelligence (AI) tools. These tools assist in accounting tasks and support functions. Our AI use is supervised by experienced professionals and conducted in adherence to all ethical obligations, including confidentiality and diligence.



Fees and costs

Our fees for this engagement will be based on the time spent by the staff assigned to your return and the complexity of the services we will perform. **Please note that our fees may be subject to changes in filing requirements/forms and inflationary increases every year.** You agree to reimburse us for any out-of-pocket costs. **Any accounting and/or bookkeeping services will be considered "out of scope" of this letter.** Our engagement fees are not contingent on the results of our service.

Our fees and costs will be billed monthly or upon completion of the tax returns and are payable upon receipt. We have a feature on our website that enables you to pay our fees via credit card or ACH payment. The link is located at: <https://lp-cpa.com/payments/>. Invoices unpaid 30 days past the billing date may be deemed delinquent and are subject to an interest charge of 1% per month. We reserve the right to suspend our services or to withdraw from this engagement in the event that any of our invoices are deemed delinquent. In the event that any collection action is required to collect unpaid balances due us, you agree to reimburse us for the costs of collection, including attorneys' fees.

If we elect to terminate our services, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed your return. You will be obligated, through the date of termination, to compensate us for all outstanding invoices as well as our final invoice and to reimburse us for all of our out-of-pocket costs. For these purposes, any nonpayment, inability to sign the tax return, or nonresponse by you of information requested (among other things) will constitute a basis for our election to terminate our services.

Our services do not include preparation and/or remittance of certain business disclosures and reports that are filed online through a federal or state portal. These reports would include but are not limited to annual secretary of state reports and mandatory government surveys. We are able to assist in timely remittance of such reports, if requested, which is the responsibility of the taxpayer.

Mediation/arbitration

In the event of any dispute, controversy or claim arising out of, in connection with or in relation to this Agreement, including its scope or validity, the parties shall first try to resolve the matter through good faith negotiation and, if a resolution cannot be achieved in that manner, then the parties shall submit the matter to mediation. The parties shall jointly select a mediator. The mediation shall take place in Mercer County, New Jersey. If a resolution cannot be achieved through mediation, the matter shall be submitted to binding arbitration in the State of New Jersey under the applicable rules of the American Arbitration Association. The Arbitration shall be conducted in Mercer County, New Jersey. The arbitration shall be by a single arbitrator selected in accordance with the procedures of the American Arbitration Association but who shall be technically grounded and whose experience and training shall enable him or her to readily comprehend the technical aspects of the issues to be decided. At the request of any party, the arbitrator may permit discovery of documents and other evidentiary items as provided in the Federal Rules of Civil Procedure of the United States. The decision of the arbitrator shall be final and binding on the parties hereto and may be enforced by any court of competent jurisdiction.

The costs of the arbitration shall be shared equally by both parties, but the arbitrator shall be authorized to award costs, including reasonable attorney's fees, to the prevailing party. Any dispute arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within one year from the completion of the engagement. In the event arbitration brought against us, any award you obtain shall be limited in amount and shall not exceed the amount of the fee charged by us, and paid by you, for the services set forth in this engagement letter.



Mediation/arbitration (continued)

This engagement letter is contractual in nature and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties.

If, after full consideration, you agree to authorize us to prepare your personal income tax returns pursuant to the terms set forth above, please execute this letter on the line(s) below designated for your signature(s), and return the executed letter to this office. You should keep a copy of this fully executed letter for your records. If this firm does not receive from you this letter, in fully executed form, but receives from you a completed copy of the client questionnaire and/or supporting documentation, then such receipt by this office shall be deemed to evidence your acceptance of all of the terms set forth above, and we will commence with the tax return preparation process. If this office receives from you no response to this letter or the completed questionnaire, then this office does not have any obligation to provide you with any ongoing professional services, and may not proceed with your income tax returns.

Return of paper tax documents and USPS mailing updates

Any paper documents that you provide to our office to prepare your taxes will be returned to you after the tax deadline to the address listed on the tax return.
Effective 12/24/25, USPS postmarks will reflect the date of first automated processing, which may be later than the mailing date. For timely tax filings under IRC Sec. 7502, senders should request a manual postmark at the counter or use Registered/Certified Mail to ensure proof of mailing by the due date.

**By providing the documents necessary to prepare your returns or upon signing below,
you agree to the terms of this engagement.**

LEAR & PANNEPACKER, LLP

www.lp-cpa.com

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Newtown Office

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PLEASE SIGN BELOW

_____ Taxpayer Signature	_____ Date	_____ Spouse Signature (if applicable)	_____ Date
_____ Print Name		_____ Print Name	

Opt-In For Paper Copy Only:

☐ Check this box to only receive a Paper Copy of your 2025 Tax Return.
Otherwise by default, you will receive an electronic copy.

