



PLEASE CAREFULLY READ THE FOLLOWING INFORMATION:

1. Our engagement letter **MUST** be signed and returned to us *prior* to tax return preparation. *****Work cannot commence until we are in receipt of your signed Engagement Letter!!!**
2. Tax preparation fees are due upon completion of the return, payable by check or credit/debit card. Any other delivery service other than USPS 1st Class Mail or Priority Mail will be invoiced separately with a minimum charge of \$35.00 (i.e. FedEx, courier, certified mail, etc.). The fees will be higher if you are self-employed, own rental property or have investments in pass through entities as a result of recent significant tax law changes.
3. We **MUST** receive **ALL** 2023 tax information NO LATER THAN **March 1st, 2024** for the April 15th due date. If the information is not *completely* submitted by **March 1st**, we will file an extension for you. A minimum fee of \$130 will be charged for this service. The **extension** is due on **April 15th, 2024**, which grants **6-months** of time to file your return until, **October 15th, 2024**; it does not grant you an extension of time to pay your tax.
4. **Extensions with Payment Due:** If we are filing an extension for you and you think you may owe, we need an estimate of your 2023 income by **March 1st**. (Government agencies require that all tax owing be paid with the extension request). Penalties and interest will result if underpaid.
5. Foreign Income Account, Real Estate, or Other Foreign Holdings Information: *If applicable to you:* The due date is April 15th, 2024. We **MUST** have all foreign reporting information by **March 1st, 2024** in order to prepare and submit the FinCen Form by April 15^h, 2024. If extended, foreign account information must be received in its entirety by September 1st, 2024 to meet the October 15th, 2024 extended due date.
6. **If you filed an Extension:** All missing tax information must be received no later than **September 2nd, 2024**. Information received afterwards will result in late filings.
7. Please visit our website at www.borellicpa.com for important tax documents, forms, due dates, deadlines and other valuable information. Also, this information can be found in the "Public Documents" folder in your vault.
8. **Online IRS account:** We recommend that each of our clients set up their own IRS online account. With an online IRS account, you can view your account status, make payments (including balances due and estimate, among others), view past payments, confirm economic impact payments received, pull IRS transcripts, and view new IRS notices and letters you received, among other activities.

Online IRS account, continued.....

Accounts can be set up in as little as 10 minutes at www.irs.gov. If you have any trouble setting up an account, please contact our office and we can help walk you through the process. We can also help you set up your account in person during your tax appointment. If you are married, then each spouse should set up their own separate account.

9. **Identity theft measures:** Starting in 2021, all taxpayers can register for an Identity Protection PIN (IP PIN), which is a six-digit number assigned by the IRS that prevents others from filing fraudulent returns using your Social Security Number or Individual Taxpayer Identification Number (ITIN). Previously, the IRS only made this program available to identity theft victims.

You can register for an IP PIN at www.irs.gov/identity-theft-fraud-scams/get-an-identity-protection-pin. Once you are registered, the IRS will send you a new six-digit PIN in the mail each January. Any income tax returns filed on your behalf, whether by paper or electronically, will be rejected by the IRS unless the correct six-digit PIN is reported on your income tax return.

LATE PAYMENT PENALTY: The Federal late payment penalty is usually $\frac{1}{2}$ % of any tax (other than estimated tax) not paid by April 15th, 2024, plus interest at the published Federal rates per month; the maximum penalty is 25%. California is 5% per month for the first month and $\frac{1}{2}$ % thereafter, plus interest (maximum late payment penalty is 25%).

LATE FILING PENALTY: A late filing penalty is usually charged if your return is filed after the due date (including extensions). The penalty is usually 5% of the amount due for each month or part of a month your return is late. The maximum penalty is 25%.

For further information, please visit the website for the Internal Revenue Service at www.irs.gov
And for the Franchise Tax Board at www.ftb.ca.gov