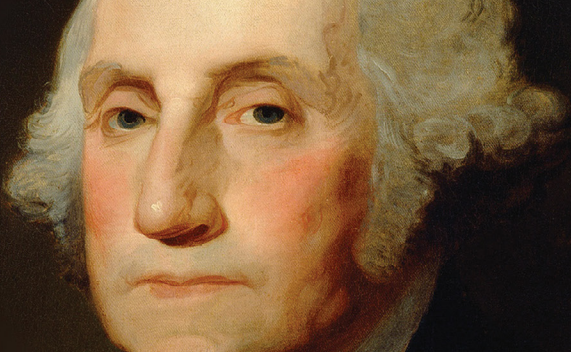




# INCOME TAX STUFF

JANUARY 2026

a publication of JFR FINANCIAL SERVICES, INC.



## TAX TIME

### It's Tax Time!

Hope all is well and you're looking back on a special and fun Holiday Season.

No price increases for 2025 despite the passage of the OBBBA, "One Big Beautiful Bill Act." Preparing and completing a tax return is as complicated as ever. OBBBA does not help. For most Americans, they will see a larger refund. \$500? \$1,000? Nothing life changing. Safe to assume more changes are on the way in 2026.

Dropping off your information is the most efficient way for us to prepare your return.

*If you want to sit with us while your return is prepared, then there is a \$150 appointment fee.*

The first day to drop off your information is Monday, February 2nd. The IRS has not yet set a date for accepting returns, but usually before the end of January.

The last day to drop off your information is Thursday, April 9th.

The tax filing deadline is the traditional April 15th.

**Tax Organizer?** Call the office and request one if you have not already done so.

#### NEW RULES FOR MAILING TAX DOCUMENTS!

The USPS is consolidating mail processing, meaning tax documents may not be stamped/postmarked for a few days. To ensure an on-time postmark, mail early, use certified mail and/or have your tax documents hand stamped at a post office counter. Wonder if they will still be open to midnight at the Detroit office on April 15th? (Source: USPS, JFR)

### PRICING FOR 2025 TAX SEASON!

#### FEES:

Base Fee \$250\* (INCLUDES FEDERAL AND MI-1040).  
Other states will be billed the e-filing rate

#### ADDITIONAL FEES:

Schedule A	\$75.00*
Schedule B	\$150.00*
Schedule C (Self Employed)	\$150.00*
Schedule D (Capital Gains)	\$75.00*
Schedule E	\$125.00*
1065 (Partnerships)	\$300.00*
1120S & 1120S (Corporations)	\$300.00*
1041 (Trusts & Estates)	\$300.00*
College Student Returns	\$75.00*
MAILING FEE	\$20.00*
Face to Face Appointment	\$150.00

\* Discounts or additional fees may be applied based on the simplicity or complexity of the return.

#### REMINDERS:

Include receipts for charitable contributions.

If you made estimated tax payments **LET US KNOW**.  
Do not assume we will know even if we recommended them!

Mileage logs should be in writing

You may not receive your 1099 documents until March 1.  
If you bring your taxes in early, we input as much as possible then put them in a "waiting for information" file.

Normal turn around is 5 days or less

## IMPORTANT DATES

- JFR Financial Services will begin accepting taxes on MONDAY, FEBRUARY 2, 2026.
- The last day to drop-off your tax information is THURSDAY, APRIL 9, 2026.
- All returns or applications for extensions must be e-filed no later than WEDNESDAY, APRIL 15, 2026.

# Tax Return Engagement Letter

*Thank you for the opportunity to be of service!* The staff of JFR Financial Services, Inc., is looking forward to assisting you with your tax preparation. This letter confirms the terms of our engagement and the tax preparation services we will provide in order to minimize any possible misunderstandings as to the scope of our project and the payment for such services.

**PERSONAL:** We will prepare your Individual 2025 federal, all state and local income tax returns you request using information you provide to us.

**BUSINESS AND/OR ESTATE:** Using information you provide us; we will prepare your business and/or estate federal and all state tax returns you request.

We may ask for clarification of some items, but we will not audit or otherwise verify the data you submit. This engagement pertains only to the 2025 tax year, and our responsibilities do not include preparation of any other tax returns that may be due to any taxing authority. JFR's engagement will be complete upon the delivery of the completed returns to you.

It is your responsibility to provide information required for preparation of complete and accurate returns. You should keep all documents, canceled checks and other data that support your reported income and deductions. They may be necessary to prove accuracy and completeness of the returns to a taxing authority.

The timeliness of your cooperation is essential to our ability to complete this engagement. Specifically, we must receive sufficient information from which to prepare your returns within a reasonable period of time prior to the applicable filing deadline. Accordingly, if we do not receive information from you, as noted above, by Wednesday, April 15, 2026 it may be necessary for us to pursue an extension of the due date of your returns, and we reserve the right to suspend our services or withdraw from this engagement.

We agree that this engagement for tax preparation services will be completed no later than Wednesday, April 15, 2025, unless we subsequently and mutually agree to extend the completion date as outlined above. If an extension of time to file is required, you agree that any late payment penalties or interest that may be incurred because of a delayed filing will be your responsibility.

Our work does not include any procedures to discover defalcations or other irregularities. The only accounting or analysis work we will do is that which is necessary for preparation of your income tax returns.

We must use our judgment in resolving questions where the tax law is unclear, or where there are conflicts between the taxing authorities' interpretations of the law and other supportable positions. In order to avoid penalties, we apply the "more likely than not" reliance standard to resolve such issues. You agree to honor our decisions regarding the need to make protective disclosures in your returns.

The law imposes penalties when taxpayers understate their tax liability. Penalties of as high as \$100,000 can be imposed on you for failing to disclose participation in "reportable transactions," if/when the IRS identifies abuse. Therefore, JFR Financial must insist that all such transactions be properly disclosed.

Your returns may be selected for audit by a taxing authority. Should that happen, we will arrange to have somebody represent you and/or work with you during the process and/or appeal. In the unlikely event that this should happen; fees and expenses for defending the returns will be reviewed and invoiced in accordance with the terms we agree on for this event.

If you have any unreported income from prior years, we STRONGLY urge you to seek help from a tax attorney who is familiar with taxpayer defense law. By signing this engagement letter, you are in effect waiving the opportunity for privileged communication by retaining an attorney, who could then retain JFR (or another accountant) to assist him/her as required.

IRS regulations require **JFR Financial Services, Inc.** to have your signed 8879 before e-filing your tax return. A return is not considered complete until it is electronically filed and confirmation from the taxing authorities received.

You are responsible for the payment of any taxes and late payment penalties. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them. Please make sure you address any questions that may arise.

*JFR Financial will retain copies of your return for a period of seven years. After seven years JFR Financial destroys all copies. You should keep your records, receipts, forms and copies of your taxes in secure storage for seven years.*

We will endeavor to keep the time and fees as low as possible, but the most significant element in the time required to prepare a tax return is the quality and the organization of the data needed to prepare the return. Fees will be billed when the returns are completed and returned to you.

Invoices unpaid 30 days past the billing date may be deemed late and are subject to an interest charge [2.0% per month]. JFR reserves the right to suspend our services or to withdraw from this engagement in the event that any of our invoices are deemed late. In the event that any collection action is required to collect unpaid balances due us, you agree to reimburse us for our costs of collection, including attorney fees.

If we elect to terminate our services for nonpayment, or for any other reason provided for in this letter, 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 to compensate us for all time expended, and to reimburse us for all of our out-of-pocket costs, through the date of termination.

#### **MISCELLANEOUS:**

JFR makes every reasonable effort to avoid errors or omissions in the services or advice provided. However, the tax law is voluminous, ambiguous, and constantly changing. JFR's liability for errors or omissions will be limited to a full refund of the fees paid and will not include liability for any consequential damages. Any claim for damages will expire within two years of when the final billing is mailed to you. JFR's liability is also limited to you and any recommendations provided to you may not be used or relied upon by any other parties. Disputes with the IRS regarding the interpretation of the tax law will not constitute an error or omission if you have been advised of the difference in opinion at the time your return is prepared.

In the event that we become obligated to pay any judgment or similar award, agree to pay any amount in settlement, and/or incur any costs as a result of any inaccurate or incomplete information that you provide to us during the course of this engagement, you agree to indemnify us, defend us, and hold us harmless against such obligations, agreements, and/or costs.

You agree that any dispute that may arise regarding the meaning, performance, or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation, and that a mutually agreed upon mediator will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered within the State of Michigan according to mediation rules and any ensuing litigation shall be conducted according to Michigan law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

In the event we are required to respond to a subpoena, court order, or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate JFR at our hourly rate of \$250.00 for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard.

Any litigation 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, notwithstanding any statutory provision to the contrary. In the event of litigation brought against us, any judgment 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.

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.

## COMMUNICATION

When the income tax returns we are to prepare in connection with this engagement are joint returns, and because you will each sign those returns, you are each 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. We will require, however, that any request for documents or other information be communicated to us in written form. You also acknowledge that unless we are notified otherwise in advance and in writing, we may construe an instruction from either of you to be an instruction on your joint behalf. Absent a contrary written instruction in the future, from either or both of you, we will communicate with either or both of you.

**To affirm that this letter correctly summarizes your understanding of the arrangements of this work, please sign this letter and return it to us with your tax preparation data.**

We appreciate your confidence in us and look forward to working with you through this income tax season. For questions please call 734-692-1421.

**PLEASE NOTE: BOTH PARTIES MUST SIGN FOR PREPARATION OF JOINT RETURNS.**

Accepted By: \_\_\_\_\_ Date: \_\_\_\_\_

Accepted By: \_\_\_\_\_ Date: \_\_\_\_\_

*(Legal guardian must sign for preparation of a minor's return)*

Accepted By: \_\_\_\_\_ Date: \_\_\_\_\_

Legal Address: \_\_\_\_\_

**At any time during 2025 did you pay Federal, State or Local estimated taxes?  
If yes, provide payment details.**

**At any time during 2025, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency?** ☐ Yes ☐ No

**WE REALLY  
NEED TO  
KNOW THIS**