



Mugford & DiBella, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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January, 2023

To our Individual Tax Return Clients:

As we enter the 2022 tax season, we are sending this letter to ***thank you for your business.*** As we move forward as one firm with the strength of three combined, we want to apprise you of what to expect this year.

The pandemic created changes for all of us that given rise to new ways of doing business. The 2019 tax season was “business as usual,” and 2020 brought us Covid and virtual client meetings. The 2021 tax season found us getting more comfortable with the paradigm of touchless document drop-offs and virtual meetings as the pandemic persisted.

Throughout this entire process we discovered that our clients enjoy the convenience of foregoing in-person meetings in order to complete their tax returns. So, we will continue offering video and phone call reviews and accepting documents dropped off or uploaded to our portal.

Our firm will continue with the protocol of the past two seasons. Our partners and staff look forward to upholding our commitment to quality work done timely and within professional guidelines.

Here is what you can expect.

1. We will conduct our meetings virtually (video and phone calls).
2. Clients can drop off their tax documents at our offices.
 - We encourage you to ***upload your tax documents via our secure client portal*** from your own computer. If you have not done this in the past, we are happy to assist you.
 - For portal assistance contact Sharon in our New Britain office at (860) 223-2701 and Patty in our Southington office at (860) 621-6888.

With your continued cooperation and support, we know we can expect a busy but smooth tax season. Our mission is to strive to exceed your expectations.

After we have completed and filed your tax returns, you can check the status of your return online and **Track Your Refund.** Visit our website www.mugforddibellallc.com for links to the state and federal tracking sites. *NOTE: The IRS endeavors to issue refunds within 21 days, but there may be delays. If you are unable to get a status update online, try a few days later, as there may be a lag in updating the data.*

We look forward to working with you. If you have any questions or concerns, please reach out to us.

Sincerely,

The Partners and Staff of Mugford & DiBella, LLC

Explanation of Services For Our Clients

Tax Organizers

As we have done in the past, we will send tax organizers starting mid-January. The optional organizer is a package that has a questionnaire for you to provide us information about your specific tax situation. It also lists your tax information from the previous year and has places to enter current year data. The organizer will help you accumulate and organize your 2022 tax data.

eSignature

The IRS-approved eSignature allows you to both receive your completed tax returns and electronically sign your tax returns. Signatures are automatically sent back to us for electronic filing of your returns. Using eSignature eliminates the cumbersome process to obtain manual signatures. As long as you have an email address, you can use this feature. If you are filing a joint tax return, both spouses will need to use their own separate emails. We encourage you to take advantage of this time-saving service.

Engagement Letters

An engagement letter is a written understanding between the accountant and the client. It specifies the exact scope of the work to be performed and related responsibilities. This provides both parties with clarity on expectations. For legal and insurance reasons, we continue to use engagement letters for all of our client relationships. If we have your e-mail address on file, we will send you the letter electronically through our eSignature service. If we are not able to send you the engagement letter electronically, we will include it in your completed income tax return package. **Please read the letter to make sure you thoroughly understand it, sign it electronically or manually, and return it to our office.** If you have any questions please do not hesitate to call.

Nuisance Correspondence & Audit Retainer

Details about our Nuisance & Audit Retainer program is on the next page. We are offering this **optional** service in 2023 to those who wish to take advantage of it.

Nuisance Correspondence & Audit Retainer

Many taxpayers receive "nuisance" correspondence from the Internal Revenue Service (IRS) and the Connecticut Department of Revenue Services. Most of this correspondence is the direct result of the government's efforts to match data from Forms 1099, W-2, K-1, etc., to the information reported in the income tax returns. Some of them are sent in error. This correspondence is defined as a nuisance because, most of the time, our clients' tax returns were correct, and the "difference" noted by the government was the result of a data-entry or computation error in the matching programs. We may have to invest an hour or more to review the letters, find the error, perform re-computations and respond. This can be costly and, unfortunately, we have to charge for the time it takes to respond, even if it was a government error.

Occasionally taxpayers have their tax returns selected for routine audit by the Internal Revenue Service or the State of Connecticut. Even if these audits do not result in a large change to the tax liability, there can be a significant fee for professional services rendered by us for representation.

Accordingly, we offer a service to protect our clients from the potentially large professional fees associated with these two areas. For a fixed retainer of \$100, we will agree to manage income tax correspondence which you may receive from the IRS or the State of Connecticut during the calendar year 2023, and to represent you in a routine IRS or Connecticut audit which occurs at any time during that same year.

This retainer service does not cover audits of returns which were not prepared by our office, audits of your business, or audits of your return which are brought about by your investment in "tax-shelters." These projects are not "routine" and can be very time-consuming. Also, in the rare case where a routine audit cannot be settled with the examining agent, extra fees would apply for services rendered during an appeals or tax court process.

If you wish to take advantage of this optional "assurance," simply fill out the slip below and send us your \$100 remittance by February 28, 2023. We will accept payment for this retainer via check or credit card.

Nuisance & Audit Retainer Slip

Enclosed is the \$100 retainer regarding Federal and Connecticut nuisance correspondence and routine audits of personal income tax returns. I understand that this retainer only relates to events described above which occur during the calendar year 2023. **(Due by February 28, 2023.)**

Print Name _____

Address: _____

Signature: _____ Date: _____