

FIRSTAX, LP.

Your "**Tax Advisors for Life**"

1010 Lamar #670

Houston, TX 77002-6311

713-781-9999 (Tel.)

800-781-9996 (Tel.)

713-951-0150 (Fax)

taxsavings@firstax.com (e-mail)

www.firstax.com (website)

January 1, 2008

Mr. John Doe
1234 Anywhere Street
Anytown, US 12345

Dear John,

You have notified us that you are being examined by the Internal Revenue Service (IRS) for the tax year _____. You have downloaded, accurately completed, and forwarded to us the IRS Form 2848, Power of Attorney and Declaration of Representative.

You may also download and print this Engagement Letter from our web site noted above. After downloading it, please carefully read it, and then execute it with your signature(s) at the bottom of page 3. Please forward by U.S. mail or overnight delivery service a signed original to us at our address listed at the top of this page as soon as possible. Time is of the essence.

We will e-mail to you a copy of our letter to IRS requesting a date and time for your examination. Upon our hearing from IRS as to a proposed date for the examination, we will advise you of the same so as to allow both of us to begin preparing for the examination.

This correspondence will not be forwarded to the IRS from our offices until you have engaged [FirsTax Texas, LTD.](#) by signing the engagement letter and the attached Power of Attorney!

Our objectives in representing you in this tax return examination are to professionally develop your case for representation to IRS, minimize any potential tax liability resulting from the examination, and, keep your personal aggravation to a minimum.

There will be a substantial commitment of time by us to your tax return examination case including:

- 1.) Our evaluation of the strategy to be employed in responding to the issues raised in your examination request letter.
- 2.) Meeting with you to assign responsibility for collection, organization, and summarization of the data.
- 3.) Follow-up meeting with you to complete the data collection.
- 4.) Our meeting at IRS Offices to represent your case before an IRS examiner and negotiate potentially contentious issues.
- 5.) Respond to IRS examiner requests for additional information, which could include additional meetings with you to compile that data.
- 6.) Evaluation of the examination report issued by IRS to ascertain your understanding and satisfaction with it.
- 7.) Follow-up with the IRS examiner to ensure your signed examination report is received and processed for completion.

At this point, if there is a refund due you, or no change to your tax return is made, or the change results in an amount small enough for you to pay in full, the examination will be complete. Our fees for items 1-7 above are \$1,500.00 payable in advance as a non-refundable retainer.

If there are changes to your tax return resulting in an amount that you are unable to pay in full:

- 8.) We will need to develop a complete financial disclosure statement including assets, liabilities, income, and expenses.
- 9.) We will petition IRS for the establishment of a payment plan that is commensurate with your ability to pay based on the financial disclosure statement submitted. Or...
- 10.) We will petition IRS for the granting of an Offer-in-Compromise. This is a request to pay less than the full amount of taxes, penalties, and interest due; but is in no case less than the amount of equity you have in assets owned by you. Or...
- 11.) We will develop an appeals case for presentation to the Appeals Section of IRS.

Our fees for this work, only if it is necessary, will be billed at an hourly rate of \$225.00 per hour. It is difficult to evaluate in advance an estimate of the

