

Seasons Greetings,

We hope the new year is off to a great start for you! Enclosed is your 2025 Tax Organizer, which will help you gather the information we need to prepare your return. The organizer includes prior-year data to help you easily identify any changes or additions for the current year.

As you begin assembling your documents, please be aware of several notable individual tax law changes that may affect your 2025 filing:

### **Key Tax Changes for 2025**

- **New Deduction for Seniors (65+)**

Taxpayers age 65 or older may now claim an additional deduction, which may help reduce or eliminate tax on Social Security benefits.

- **Higher State and Local Tax Deduction Cap**

The limit on deductible state and local taxes has increased, benefiting taxpayers who itemize and have significant property or state income taxes.

- **Charitable Contribution Updates**

A small charitable deduction is now available even for those who do not itemize, and rules for itemized charitable contributions have expanded.

- **New Deductions for Tips & Overtime**

Certain workers may now deduct a portion of reported tips or overtime compensation, subject to income limitations.

Tax season is a particularly busy period for our office. To ensure fairness and efficiency, we prepare returns in the order in which complete information is received (first-in, first-out). To allow sufficient time for preparation and review, we ask that you provide all required tax documents to our office no later than March 31, 2025. If your information is received after March 31, we may need to file an extension on your behalf to ensure your return is completed accurately and without undue time pressure. We appreciate your cooperation and understanding. You can return your organizer and tax documents in any way that works best for you. Feel free to drop them off in person, send them by mail, or upload them safely through our secure client portal. If you need help logging into the portal we're happy to assist.

Thank you for the trust you have in our firm. We look forward to working with you throughout this tax season and are committed to providing you with accurate, timely, and attentive service.

Ferro Willett & Thompson

## 1040 Income Tax Annual Engagement Letter for 2025

We sincerely appreciate the opportunity to work with you. To minimize the possibility of a misunderstanding between us, we are setting forth pertinent information about the services that we perform for you.

We will prepare your 2025 Federal and State(s) individual income tax return, from the true, correct and complete information you furnish us. We do not use foreign third parties for preparation of your tax return, but we may use outside processing companies for electronic filing and backup storage purposes. We will not audit or otherwise verify the data you submit, although we may ask you to clarify some of the information. We may furnish you with tax organizers and questionnaires to help you gather and organize the necessary information for us.

We must receive any requested additional information to prepare your return by March 31 to ensure that your return will be completed by April 15th. **We do not file tax extensions for clients unless specifically requested to do so.**

Internal Revenue Service (IRS) is phasing out paper tax refund checks for individuals and plans to require taxpayers to submit payments electronically. When implemented, you will have to setup an account with the IRS at [irs.gov](http://irs.gov).

It is your responsibility to maintain, in your records, the documentation necessary to support the data used in preparing your tax returns. This includes but is not limited to the auto, travel, entertainment, meals and related expenses and the required documents to support cash and non-cash charitable contributions. If you have any question as to the type of records required, please ask us for advice in that regard. It is also your responsibility to carefully examine and approve your completed tax returns before signing.

We are responsible for preparing only the returns identified above. If there are additional returns you wish us to prepare, such as property tax, gift or estate tax, other income tax returns for other entities, or other states' or cities tax returns, please insert them here: \_\_\_\_\_. Our fee does not include responding to inquiries or examination by taxing authorities. However, we are available to represent you and our fees for such services are at our standard rates and would be covered under a separate engagement letter.

We will use our professional judgment to resolve questions in your favor where a tax law is unclear if there is a reasonable justification for doing so. Whenever we are aware that a possible applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts), we will explain the possible positions that may be taken on your return. In addition, we reserve the right to refuse to complete a return. If the IRS should later contest the position taken, or the disallowance of doubtful deductions or inadequately supported documentation, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any such additional penalties or assessments. However, in the event of preparer error, you are responsible for additional tax that may be due, but our responsibility is to pay for any penalty that the IRS, state or local taxing authorities may assess.

In accordance with our firm's current document retention policy we will retain our work papers and your 2025 tax returns for three years. We will provide a copy of the depreciation schedules and tax returns and other pertinent work papers that should be a part of your records. If you should need replacements, we will provide additional copies at our standard copying fee. All of your original records, including W-2's and 1099's, will be returned to you. After three years, our work papers and files will no longer be available. Physical deterioration or catastrophic events may shorten the time during which our records will be available. **The working papers and files of our firm are not a substitute for your original records.** It is agreed and understood that in connection with the performance of this engagement by Ferro Willett & Thompson, PLLP that the work papers prepared by us shall remain the property of Ferro Willett & Thompson, PLLP.

Our fee for these tax services will be based on our standard rates. Invoices are due and payable upon presentation. No further work will be performed when an unpaid balance over 60 days is outstanding unless a written waiver is granted. The suspension or termination of our work may cause you to fail to meet deadlines imposed by creditors, governments or third parties or may result in other adverse consequences and is a proper consequence of nonpayment of our statements. Our services will conclude upon delivery of the completed tax returns discussed above or upon our resignation from the engagement.

If any dispute arises among the parties, they agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its Commercial Mediation Rules. All unresolved disputes shall then be decided by final and binding arbitration in accordance with the Commercial Arbitration Rules or the AAA. Fees charged by any mediators, arbitrators, or the AAA shall be shared equally by all parties. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT IN THE EVENT OF A DISPUTE OVER FEES, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.

We appreciate the opportunity to serve you. Please sign and date this letter to acknowledge your agreement with and acceptance of your responsibilities and the terms of this engagement. It is our policy to initiate services after we receive the executed engagement letter.

Sincerely,  
Ferro Willett & Thompson, PLLP

The terms described in this letter are acceptable and are hereby agreed to and shall remain in effect until terminated by either party in writing.

All information for which I have receipts, canceled checks, or other written evidence is true and correct as furnished by the undersigned to FERRO WILLETT & THOMPSON, PLLP for the preparation of Schedule A, C, E, F, Forms 1040, 1065, 1120, and 1120S, or any other official form for the year ended December 31, 2025. I understand that Ferro Willett & Thompson, PLLP will not audit or verify the data submitted, although they may ask me to clarify it. I will contact you immediately, if I discover additional information that will lead to a change in my return, or if I receive any letters from the IRS or state taxing authorities.

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Your Signature

Date

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Spouse's Signature

Date

<b>2025</b>	<b>1040</b>	<b>US</b>	<b>Miscellaneous Questions</b>
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### Checklist of additional items (estimates not acceptable)

Please check the appropriate box and provide additional information if necessary.

- | Yes                      | No                       |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Could you be claimed as a dependent on another person's tax return for 2025?   |
| <input type="checkbox"/> | <input type="checkbox"/> | Were there any changes in dependents?  |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you have any children under age 19 or full-time students under age 24 at the end of 2025, with interest and dividend income in excess of \$1,350, or total investment income in excess of \$2,700?               |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you receive IRS document Form 1095-A (Health Insurance Marketplace Statement), if so, please attach.   |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you receive unreported tip income of \$20 or more in any month?  |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you receive any disability income?   |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you start a business or farm, purchase rental or royalty property, or acquire an interest in a partnership, S corporation, trust, or have income from any other sources? (Contracted services, babysitting, etc) |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you buy or sell any stocks, bonds or other investment property in 2025? If yes, attach Form 1099B received from brokers. <b>YOU MUST PROVIDE US WITH THE COST OF THE STOCK OR PROPERTY SOLD. VERY IMPORTANT.</b> |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you at any time in 2025 receive, sell, exchange, gift or otherwise dispose of a digital asset or a financial interest in a digital asset including non-fungible tokens?  |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you purchase an electric vehicle from a dealer in 2025? (Include purchase agreement.)  |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you make any residential energy-efficient improvements or purchases involving solar, wind, geothermal or fuel cell energy sources?   |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you purchase and finance a new car in 2025?  |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you have overtime or tips in 2025?   |

<b>2025</b>	<b>1040</b>	<b>US</b>	<b>Miscellaneous Questions</b>
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- | Yes                      | No                       |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Did you purchase, sell, or refinance your principal home or second home, or did you take a home equity loan?   |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you have any debts canceled or forgiven?   |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you receive a distribution from a retirement plan (401(k), IRA, SEP, SIMPLE, Qualified Plan, etc.)?  |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you make a contribution to a retirement plan (401(k), IRA, SEP, SIMPLE, Qualified Plan, etc.)?   |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you receive a distribution from an Education Savings Account or a Qualified Tuition Program?   |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you, your spouse, or a dependent incur any tuition expenses that are required to attend a college, university, or vocational school? If yes, attach form 1098T.                |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you have an interest in or signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? |
| <input type="checkbox"/> | <input type="checkbox"/> | Are you a member of the Armed Forces of the United States on active duty who moved pursuant to a military order related to a permanent change of station?                          |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you engage the services of any household employees? If yes, you may be required to pay employment taxes, file W-2 and payroll reports.   |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you or your spouse make any gifts to an individual that total more than \$19,000, or any gifts to a trust?   |
| <input type="checkbox"/> | <input type="checkbox"/> | Did your bank account information change within the last twelve months?  |
| <input type="checkbox"/> | <input type="checkbox"/> | Are you holding U.S. Savings Bonds that are more than 30 years old?  |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you contribute or withdraw from a Health Savings Account?  |
| <input type="checkbox"/> | <input type="checkbox"/> | Did you exercise any employee incentive stock options this year?   |
| <input type="checkbox"/> | <input type="checkbox"/> | May the IRS discuss your tax return with your preparer?  |
| <input type="checkbox"/> | <input type="checkbox"/> | How would you like to receive your completed taxes?<br>(Circle one)    Pickup - Mail - Secure Portal   |

**2025 1040 US Tax Organizer**

**Ferro, Willett & Thompson PLLP**  
 1615 Alderson Avenue  
 Billings, MT 59102  
 Telephone number: 4062456261  
 Fax number: 4062593914  
 E-mail address:

**Tax Return Appointment**

Date:  
 Time:  
 Location:

This tax organizer will assist you in gathering information necessary for the preparation of your 2025 tax return. Please enter all pertinent 2025 information. If you have attached a government form for an item, check the box and do not enter a 2025 amount.

**CLIENT INFORMATION**

Taxpayer

Spouse

First name and initial.....		
Last name.....		
Title/suffix.....		
Social security number....		
Occupation.....		
Date of birth (m/d/y).....		
Date of death (m/d/y).....		
1=blind.....		
Home phone.....		
Work phone.....		
Work extension.....		
Cell phone.....		
E-mail address.....		
Drivers License #.....		
Drivers License State.....		
Issue Date.....		
Expiration Date.....		

Address

Street address.....  
 Apartment number.....  
 City.....  
 State..... MT  
 ZIP code.....

**DEPENDENTS**

Dependent No.

Dependent No.

First name.....		
Last name.....		
Title/suffix.....		
Date of birth (m/d/y).....		
Date of death (m/d/y).....		
Date of adoption (m/d/y).....		
Social security number....		
Relationship.....		
Months lived at home.....		

**WAGES, SALARIES AND TIPS**

Employer Name:

<input type="checkbox"/>	_____
<input type="checkbox"/>	_____

2025 Amount

2024 Amount

Attach Forms W-2

_____
_____

2025 1040 US Tax Organizer

Please enter all pertinent 2025 information. If you have attached a government form for an item, check the box and do not enter a 2025 amount.

INTEREST INCOME

Payer Name:

Form with two input lines for Payer Name.

Table with columns for 2025 Amount and 2024 Amount, and a row for Attach Forms 1099-INT.

DIVIDEND INCOME

Payer Name:

Form with two input lines for Payer Name.

Table with columns for 2025 Amount and 2024 Amount, and a row for Attach Forms 1099-DIV.

PENSION AND IRA INCOME

Payer name:

Form with two input lines for Payer name.

Table with columns for 2025 Amount and 2024 Amount, and a row for Attach Forms 1099-R.

GAMBLING WINNINGS

Payer name:

Form with two input lines for Payer name.

Table with columns for 2025 Amount and 2024 Amount, and a row for Attach Forms W-2G.

Total gambling losses.....
Winnings not reported on Form W-2G.....

Table with columns for 2025 Amount and 2024 Amount for gambling losses.

OTHER GOVERNMENT FORMS - INCOME

- Form 1099-B - Sales of stock (also include transaction history).....
Form 1099-MISC - Miscellaneous income.....
Form 1099-K - Merchant card and third party network payments.....
Form 1099-S - Sales of real estate (also include closing statements).....
Form 1099-G - State tax refunds.....

Table with columns for 2025 Amount and 2024 Amount, and a row for Attach Forms 1099.

Taxpayer:

- Form SSA-1099 - Social security benefits.....
Form 1099-G - Unemployment compensation.....

Table with columns for 2025 Amount and 2024 Amount, and a row for Attach Forms 1099.

Spouse:

- Form SSA-1099 - Social security benefits.....
Form 1099-G - Unemployment compensation.....

Table with columns for 2025 Amount and 2024 Amount, and a row for Attach Forms 1099.

MISCELLANEOUS INCOME

Alimony received.....
Spouse: Alimony received.....

Table with columns for 2025 Amount and 2024 Amount for alimony received.

Other:

Form with two input lines for Other miscellaneous income.

Table with columns for 2025 Amount and 2024 Amount for other miscellaneous income.

2025 1040 US Tax Organizer

Please enter all pertinent 2025 information. If you have attached a government form for an item, check the box and do not enter a 2025 amount.

RETIREMENT PLAN CONTRIBUTIONS

Taxpayer:

- Traditional IRA contributions (1=maximum)
Roth IRA contributions (1=maximum)
Self-employed SEP, SIMPLE, & qualified plan contributions (1=maximum)

Table with 2 columns: 2025 Amount, 2024 Amount

Spouse:

- Traditional IRA contributions (1=maximum)
Roth IRA contributions (1=maximum)
Self-employed SEP, SIMPLE, & qualified plan contributions (1=maximum)

Table with 2 columns: 2025 Amount, 2024 Amount

OTHER GOVERNMENT FORMS - DEDUCTIONS

- Form 1098-E - Student loan interest
Form 1098-T - Tuition and related expenses

Table with 2 columns: Attach Forms 1098, Amount

Affordable Care Act

- Form 1095-A - Health Insurance Marketplace Statement

Table with 2 columns: Attach Forms 1095, Amount

ADJUSTMENTS TO INCOME

Taxpayer:

- Self-employed health insurance premiums
Educator expenses
Expenses from rental of personal property

Table with 2 columns: 2025 Amount, 2024 Amount

Other adjustments to income:

\_\_\_\_\_

Table with 2 columns: 2025 Amount, 2024 Amount

Alimony Paid - Recipient name & SSN

\_\_\_\_\_

Table with 2 columns: 2025 Amount, 2024 Amount

Spouse:

- Self-employed health insurance premiums
Educator expenses
Expenses from rental of personal property

Table with 2 columns: 2025 Amount, 2024 Amount

Other adjustments to income:

\_\_\_\_\_

Table with 2 columns: 2025 Amount, 2024 Amount

Alimony Paid - Recipient name & SSN

\_\_\_\_\_

Table with 2 columns: 2025 Amount, 2024 Amount

MEDICAL AND DENTAL EXPENSES

- Prescription medicines and drugs
Doctors, dentists and nurses
Hospitals and nursing homes
Insurance premiums
Taxpayer: Long-term care premiums
Spouse: Long-term care premiums
Insurance reimbursements
Out-of-pocket lodging and transportation expenses
Number of medical miles

Table with 2 columns: 2025 Amount, 2024 Amount

Other:

\_\_\_\_\_

Table with 2 columns: 2025 Amount, 2024 Amount

**2025 1040 US Tax Organizer**

Please enter all pertinent 2025 information. If you have attached a government form for an item, check the box and do not enter a 2025 amount.

**MEDICAL AND DENTAL EXPENSES (Continued)**

Other: _____	<b>2025 Amount</b>	<b>2024 Amount</b>
_____		

**TAXES PAID**

State income taxes - 1/25 payment on 2024 state estimate.....		
State income taxes - paid with 2024 state extension.....		
State income taxes - paid with 2024 state return.....		
State income taxes - paid for prior years and/or to other states.....		
City/local income taxes - 1/25 payment on 2024 city/local estimate.....		
City/local income taxes - paid with 2024 city/local extension.....		
City/local income taxes - paid with 2024 city/local return.....		
State and local sales taxes paid (except autos and special items).....		
Use taxes paid on 2025 purchases.....		
Use taxes paid on 2024 state return.....		
Sales tax on autos not included above.....		
Sales taxes paid on boats, aircraft and other special items.....		
Real estate taxes - principal residence.....		
Real estate taxes - property held for investment.....		
Foreign income taxes.....		

Other: _____		
_____		

<input type="checkbox"/> Personal property taxes (including automobile fees in some states).....	<b>Attach Tax Notice</b>	
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**INTEREST PAID**

Home mortgage interest and points paid		
<input type="checkbox"/> _____	<b>Attach Forms 1098</b>	
<input type="checkbox"/> _____		

Home mortgage interest not on Form 1098 (include name, SSN, & address of payee)		
_____		
_____		

Points not reported on Form 1098		
_____		
_____		

Investment interest (interest on margin accounts):		
_____		
_____		
Passive Interest.....		

**CASH CONTRIBUTIONS**

Note: No deduction is allowed for cash or check contributions unless the donor maintains a bank record, or a written communication from the donee, showing the name of the organization, contributions date(s), and contribution amount(s).

_____		
_____		

**2025** | **1040** | **US** | **Tax Organizer**

Please enter all pertinent 2025 information. If you have attached a government form for an item, check the box and do not enter a 2025 amount.

**CASH CONTRIBUTIONS (Continued)**

Volunteer Expenses (out-of-pocket).....  
Number of charitable miles.....

2025 Amount	2024 Amount

**NONCASH CONTRIBUTIONS**

Note: No deduction is allowed for contributions of clothing and household items that are not in good used condition or better. In addition, a deduction for any item with minimal monetary value may be denied.

\_\_\_\_\_  
\_\_\_\_\_


**MISCELLANEOUS DEDUCTIONS**

Union and professional dues.....  
Tax return preparation fee.....  
Safe deposit box rental.....  
Investment expenses.....  
Estate tax, section 691(c).....


Unreimbursed employee expenses:

\_\_\_\_\_


Other:

\_\_\_\_\_


