



Duryea Ingraham Loff CPAs  
1188 Bishop Street, Suite 2208  
Honolulu, HI 96813

January 3, 2019

Dear Valued Client:

We hope you had an enjoyable holiday season.

Enclosed is your 2018 Tax Organizer, which will assist you in gathering and organizing the information necessary for us to prepare your income tax returns.

Also enclosed is an Annual Engagement Letter. The engagement letter must be signed before we release your completed returns to you. Please sign the back of the engagement letter and return it to us along with your completed organizer.

In addition to assembling raw data, preparing your returns also requires prudent tax planning. We must have enough time, along with complete and accurate data, to carefully analyze your tax position. Please submit your completed organizer and supporting documents as soon as possible, even if you are missing some information. For those clients who are not able to submit complete information to us by **Monday, March 18, 2019**, we will be happy to prepare an extension, which will extend the due date of the return until October 15, 2019. The extension, however, is not an extension of time to pay. Accordingly, we must have sufficient data and time to accurately estimate the taxes that should be paid with the extension.

If you are required to pay estimated taxes for 2019, the first payment is due April 15, 2019. We generally compute your estimated taxes for 2019 based on your 2018 tax liability and withholding. Individuals are required to pay at least 90% of their income tax for the 2019 year through withholdings and/or timely paid quarterly estimated taxes. Failure to do so may result in a penalty for underpayment of estimated taxes. There is a "safe harbor" if you pay 100% of your 2018 tax liability (individuals with adjusted gross income of \$150,000 or more are required to pay 110%). We will compute your estimated taxes using the safe harbor provision unless specific circumstances indicate otherwise. If your withholdings decrease in 2019, you should contact us so that we can adjust your estimates accordingly.

Enclosed is a return envelope if you would like to mail in or drop off your tax information and engagement letter. If you prefer to meet with us to discuss your tax information, please call us for an appointment. We will be conducting meetings until March 18<sup>th</sup> and will be available at least one evening each week. We look forward to seeing you soon!

Aloha,

**Duryea Ingraham Loff CPAs**

*Jeff, Warren, and Marsh*