

[Date]

[Client Name]

[Client Address]

[City, State, Zip]

Dear [Client Name],

This letter confirms the terms of our engagement to prepare your [Year] individual income tax returns. We will prepare your [Year] federal and requested state income tax returns from the information you provide.

Our Responsibilities

We will prepare your returns based on the information and representations you provide. We will not audit or otherwise verify the data you submit, although we may ask for clarification of some of the information. Our work does not include any procedures designed to discover defalcations or other irregularities, should any exist.

Your Responsibilities

You are responsible for providing all the information required for the preparation of complete and accurate returns. You should retain all the documents, canceled checks, and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.

Fees

Our fee for these services will be based upon our standard hourly rates or a flat fee of \$[Amount], plus out-of-pocket expenses. All invoices are due and payable upon presentation.

Audit and Penalties

Your returns may be selected for review by the taxing authorities. In the event of an audit, we are available to represent you at an additional fee. Taxing authorities may impose penalties and interest for underpayment of tax or for failure to comply with tax laws. You will be responsible for these amounts.

Please sign and return this letter to indicate your acknowledgment of, and agreement with, the arrangements for our services.

Sincerely,

[Firm Name]

[Preparer Name]

Accepted by:

[Client Name]

[Date]