

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Re: Multi-State Payroll Tax Compliance Services

Dear [Client Contact Name],

This letter confirms the terms of our engagement and clarifies the nature and extent of the payroll tax services [Firm Name] will provide to [Client Name] ("the Company").

1. Scope of Services

We will provide the following multi-state payroll tax compliance services for the period beginning [Start Date] and ending [End Date]:

- Registration for payroll tax accounts in the following states: [List States].
- Preparation and filing of quarterly state unemployment insurance (SUI) returns.
- Preparation and filing of state income tax withholding (SIT) returns.
- Calculation of multi-state withholding requirements based on employee residency and work location data provided by you.
- Assistance with responding to state tax notices related to the filings prepared under this agreement.

2. Client Responsibilities

Our work relies on the information you provide. You are responsible for:

- Providing accurate and timely data regarding employee wages, hours, residency, and work locations.
- Providing access to your existing payroll software or third-party provider records.
- Ensuring all tax payments are funded and processed by the respective deadlines.
- Notifying us immediately of any changes in business locations or employee transitions between states.

3. Fees and Billing

Our fees for these services will be [Amount/Hourly Rate]. We will bill you [Monthly/Quarterly]. Payments are due within [Number] days of the invoice date. Expenses such as state registration fees or postage will be billed at cost.

4. Limitation of Liability

Our firm is not responsible for penalties or interest resulting from late or inaccurate data provided by the Company. Our liability is limited to the total fees paid for the services rendered under this agreement.

5. Term and Termination

Either party may terminate this agreement with [Number] days' written notice. Upon termination, all unpaid fees for work performed to date become immediately due.

Please sign and return a copy of this letter to indicate your acceptance of these terms.

Sincerely,

[Your Name/Signature]
[Firm Name]

Accepted by:

Signature: _____

Name: [Client Representative Name]

Title: _____

Date: _____