

[Date]

[Client Name]

[Company Name]

[Address]

[City, State, Zip Code]

Dear [Client Name],

This letter confirms the terms of our engagement to provide payroll services for [Company Name].

## **1. Scope of Services**

We will provide the following payroll services:

- Processing of periodic payroll based on data provided by you.
- Preparation of payroll direct deposits or checks.
- Calculation and filing of federal and state payroll tax deposits.
- Preparation of quarterly and annual payroll tax returns (Forms 941, 940, etc.).
- Issuance of annual W-2 and 1099 forms.

## **2. Client Responsibilities**

To perform our services, you agree to:

- Provide accurate employee information, hours worked, and salary rates by [Deadline Day/Time].
- Ensure sufficient funds are available in your bank account for tax deposits and net pay.
- Notify us immediately of any new hires, terminations, or changes in pay rates.

## **3. Fees**

Our fees for these services are as follows:

- Base Fee: \$[Amount] per [Pay Period/Month].
- Per Employee Charge: \$[Amount] per active employee.
- Year-end Filing Fee: \$[Amount].

## **4. Limitation of Liability**

Our work is based on the information provided by you. We will not audit your records. You are responsible for the accuracy of the data provided and for maintaining all records required by law.

## **5. Termination**

Either party may terminate this agreement with [Number] days written notice.

Please sign below to indicate your acceptance of these terms.

Sincerely,

[Your Name/Firm Name]

[Your Title]

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**Accepted by:**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_