

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Subject: Annual Sales and Use Tax Compliance Engagement Letter

Dear [Client Contact Name],

This letter confirms the terms and objectives of our engagement to provide sales and use tax compliance services for [Company Name] for the calendar year [Year].

Scope of Services

We will prepare the following returns based on the information you provide:

- Monthly, quarterly, and/or annual state and local sales and use tax returns.
- Calculation of tax liabilities and reporting of exempt sales.
- Electronic filing of returns where required or permitted.

Client Responsibilities

You are responsible for the following:

- Providing accurate and complete summary data of gross receipts, taxable sales, and purchases subject to use tax.
- Maintaining all supporting documentation, including exemption certificates and invoices.
- The final review and approval of all returns before filing.
- The timely payment of all tax liabilities.

Professional Fees

Our fees for these services will be [Insert Fee Structure, e.g., a flat monthly fee of \$XXX or hourly rates]. Out-of-pocket expenses such as filing fees or postage will be billed separately. Invoices are due upon receipt.

Limitation of Liability

Our work is limited to the preparation of tax returns based on data provided. This engagement does not include audit representation, nexus studies, or technical research unless specifically requested under a separate agreement.

Agreement

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

Sincerely,

[Your Name/Firm Name]

[Your Title]

Accepted by:

[Client Authorized Signature]

Date: _____