

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Re: Multi-State Sales and Use Tax Compliance Engagement

Dear [Client Contact Name],

This letter confirms the terms and objective of our engagement with [Client Name] ("the Company") regarding multi-state sales and use tax compliance services for the period beginning [Start Date].

1. Scope of Services

We will provide the following services:

- Nexus Study: Review of the Company's activities to determine states where a tax filing obligation exists.
- Taxability Research: Analysis of the Company's products and services to determine tax status in relevant jurisdictions.
- Registration: Assistance with obtaining sales tax permits in identified states.
- Return Preparation: Preparation and filing of monthly, quarterly, or annual sales and use tax returns based on data provided by the Company.
- Remittance: Coordination of tax payments to state and local authorities.

2. Client Responsibilities

The Company is responsible for:

- Providing complete and accurate transaction data, including gross sales, exempt sales, and taxable purchases.
- Maintaining all necessary documentation, including exemption certificates.
- Reviewing prepared returns for accuracy before filing.
- Ensuring sufficient funds are available for tax remittances.

3. Professional Fees

Our fees for these services will be based on [Fixed Monthly Retainer / Hourly Rates / Per-Return Fee]. Out-of-pocket expenses, such as state registration fees, will be billed separately. Invoices are due within [Number] days of receipt.

4. Limitation of Liability

Our liability for any claim arising out of this engagement shall be limited to the total amount of fees paid for the services giving rise to the claim. We are not responsible for penalties or interest resulting from the provision of inaccurate or incomplete data by the Company.

5. Term and Termination

This agreement will remain in effect until terminated by either party with [Number] days' written notice. Upon termination, all unpaid fees for services rendered will become immediately due.

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

Sincerely,

[Your Name/Firm Name]

Acknowledgment and Acceptance:

Signature: _____

Title: _____

Date: _____