

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Re: State Tax Structuring and Planning Engagement

Dear [Client Contact Name],

This letter confirms the terms and objective of our engagement with [Client Name] ("the Company") regarding state tax structuring and planning services provided by [Firm Name] ("we" or "us").

1. Scope of Services

We will provide the following services:

- Analysis of current multi-state tax footprint (nexus).
- Review of entity structure for state income and franchise tax efficiency.
- Evaluation of apportionment methodologies and sourcing rules.
- Identification of state-specific tax credits and incentives.
- Assessment of sales and use tax implications regarding business operations.

2. Client Responsibilities

The Company is responsible for:

- Providing complete and accurate financial records and tax returns.
- Disclosing all states where the company has physical presence or economic activity.
- Making all final decisions regarding the implementation of tax strategies.

3. Fees and Billing

Our fees for these services will be based on [Hourly Rates / A Fixed Fee of \$_____]. Out-of-pocket expenses will be billed separately. Invoices are due and payable within [Number] days of the invoice date.

4. Limitations

Our services are limited to the specific tasks outlined above. We will not audit or verify the information provided by you. Our advice is based on current state tax laws, which are subject to change by legislative or judicial action. We are not responsible for future changes in law that may affect the planning provided.

5. Confidentiality

All information provided to us will be held in strict confidence and will not be disclosed to third parties without your prior consent, unless required by law.

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

Sincerely,

[Signature]

[Name of Partner/Firm Representative]

[Firm Name]

Acknowledgment and Acceptance:

Approved by: _____

Title: _____

Date: _____