



**M. STANLEY METZ & CO., INC. ONE WASHINGTON STREET MELROSE, MA 02176**  
**Phone: 781-321-1125 Fax: 781-321-4448**

James B. Metz, Enrolled Agent  
Frederic H. Behr, Enrolled Agent  
Simon Gonzalez, Enrolled Agent  
Eslah K. Ahmed, Tax Consultant  
Richard R. Puleo, Tax Consultant

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

Client Name: \_\_\_\_\_

Reference: Letter of Engagement

Dear \_\_\_\_\_,

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide. As part of our regular service, our firm will provide you with bookkeeping and tax preparation services, and we will provide timely attention to the compliance of all taxes that need to be filed periodically, including, but not limited to, sales, payroll and income taxes. Our firm is fully able to meet all mandates for electronic filing that are now required by the Federal government and most states. Fees for our services will be determined collaboratively with the client and are subject to revision from time to time as agreed upon by the parties. All Fees are **payable upon completion of work**. In the event that there are unpaid fees, M. Stanley Metz will draft those fees from your account pursuant to a signed drafting agreement executed between M. Stanley Metz & Co., Inc and the client.

#### **ENTITIES**

This engagement letter contemplates providing services for the following entities:

\_\_\_\_\_  
\_\_\_\_\_

#### **Tax Return Preparation**

We will prepare the \_\_\_\_\_ Business and Individual Tax Returns from information that you provide. We will not audit or verify the data that you submit, although we may ask you to clarify it. It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You retain all the documents, cancelled checks and other data that form the basis of income and deductions, and we recommend that you retain them for seven (7) years. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign and file them. We will use our judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretation of the law and what seem to be other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor whenever possible.

Your returns may be selected for review by the taxing authorities. Proposed adjustments by the examining agent, if any, are subject to certain rights of appeal and may result in the assessment of penalties and interest for understatement of tax liability as permitted by law. In the event of such government tax examination, we will be available upon request to represent you and will render additional invoices for the time and expenses incurred.

**We will render the following services:** (please indicate your choice by initialing the appropriate service)

- In-House Payroll: We have an in-house payroll service that will meet your payroll needs on a weekly, bi-weekly or monthly basis. Use of this service will insure that your payroll will be delivered timely and that all your filing obligations and form generation needs will be met. We will require access to your bank account, and it is your responsibility to make sure that funds are available to meet your obligations.

- Should you elect to prepare your payroll yourself, we will provide you with the appropriate tax withholding charts, and we will have your tax payments electronically withdrawn by the taxing authorities. We will also prepare the appropriate monthly, quarterly, and annual reports that are required by the government and your employees.
- You may elect to employ a third party payroll provider, such as ADP or Paychex, to handle your payroll needs. We will not audit or verify the data that they provide.
- BOOKKEEPING – Periodically, we will collect from you your monthly bank statements and cash paid out invoices. It is important that you make sure that your bank provides you with statements that include check images. We will review these documents carefully with you and we will process this data through our bookkeeping software. The reports that are generated will become the foundation of your company’s tax return.
- SALES AND MEALS TAX – We will e-file your Sales Tax and/or Meals Tax based solely on the written or electronic data provided by the client. We will not audit or verify the data that you submit. The data must arrive in our office in a timely manner to avoid penalties.

**OTHER SERVICES**

Services connected to special projects--such as but not limited to audits, financings, acquisitions, tax consulting work, workers compensation or garage liability audits--will be billed at a mutually agreed upon fee, due and payable upon presentation. Any fees associated with special work will be cleared with you prior to commencement of the work. We do not submit billings to our clients without a preliminary discussion of the reasonableness of the fees, and in no event do we render billings in excess of that which is agreed upon in advance.

If you should have any questions or comments regarding this proposal, we would appreciate the opportunity to discuss them with you prior to your final decision.

If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter in the place indicated and return it to our office. We express our sincere appreciation for this opportunity to work with you and trust that we will have a mutually beneficial, long-term relationship.

Very truly yours,

M.Stanley Metz & Co., Inc.

By:

\_\_\_\_\_  
Partner

\_\_\_\_\_  
Client