

TAX PREPARATION SERVICES AGREEMENT

This is a Services Agreement (“Agreement”) dated as of [DATE], (the “Effective Date”) by and between [NAME] (“Client”), a [INDIVIDUAL OR BUSINESS ENTITY STRUCTURE] located at [ADDRESS] and [PREPARER BUSINESS/INDIVIDUAL NAME] (“Preparer”), a [STATE] [PROPER BUSINESS ENTITY STRUCTURE, EXAMPLE: LIMITED LIABILITY COMPANY] located at [ADDRESS], each a “Party” and together the “Parties”.

RECITALS

WHEREAS, the Client wishes to retain the Preparer for tax preparation services,

WHEREAS the Client agrees to engage and compensate the Preparer as an independent contractor for these services, and Preparer agrees to provide such services.

IN CONSIDERATION of the promises and other good and valuable consideration (the sufficiency and receipt of which are hereby acknowledged) the parties agree as follows:

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree as follows:

1. SERVICES

Preparer shall provide Client with tax preparation services. [DESCRIBE ALL SERVICES HERE—THIS INCLUDES CONSULTATION, THE RETURNS, REPRESENTATION, AVAILABILITY, ETC.].

2. COMPENSATION

In exchange for the services listed above, Client shall compensate Preparer in the amount of \$[AMOUNT]. The compensation provided herein constitutes full consideration for the services provided. All invoices are due in full upon receipt unless otherwise agreed upon. Client is responsible for all fees incurred by Preparer in pursuance of collecting unpaid fees and expenses, including but not limited to collection fees, attorney fees, and court filing fees. Payment will not be deducted from Client’s refund.

3. SUBMISSION AND FILING DEADLINES

Please note that Pass-through Income Tax Returns (S-Corporations, Partnerships, LLCs taxed as S-Corps, LLCs taxes as Partnerships and certain trusts) are due by [DATE]. Please submit your information no later than [DATE] for Partnership and S-Corporation returns to ensure your Income Taxes can be completed by the deadline. An additional

extension of time to file may be requested before the due date, allowing you to extend your tax return due date until [DATE]. If an extension is filed, please submit your information by [DATE] to ensure your Income Taxes can be completed by the extended deadline. The extension of your tax returns is an extension of time to file your tax return and not an extension to pay any tax liability due. If any tax is due or you think it may be due, you must pay that amount to the IRS and any applicable state taxing agency by [DATE]. If payment is not made timely, there will be penalties and interest due.

4. EXPENSES

It is Client's responsibility to pay for all expenses associated with this Agreement. Preparer will invoice Client for all reimbursable expenses as a separate line item detailing the applicable expenses and providing back-up as necessary. Preparer is expected to use Preparer's own equipment, supplies and tools unless specifically agreed or stated otherwise.

5. MISSED PAYMENTS

A late payment shall be added to any fees not paid within [DAYS] of due date of payment. Such penalty shall be [##] percent of the unpaid amount due.

6. TERM AND TERMINATION

- a. Termination. The term of this Agreement shall begin on the Effective Date and shall continue until the relationship is amended or terminated. Either Party may terminate this Agreement with or without cause by providing at least fifteen (15) days prior written notice of termination to the other Party; provided, however, that the Parties may immediately terminate this Agreement as follows:
 - i. By Preparer, upon any material breach by Client, or if Client commits any act of fraud, misrepresentation, misappropriation of property, or any other act of material misconduct, dishonesty or disloyalty, which at Preparer's discretion impairs Preparer's goodwill, or in the event the Client should file for bankruptcy or liquidate its Preparer;
 - ii. By Client, upon any material breach by Preparer, or in the event Preparer should file for bankruptcy or liquidate its Preparer.
- b. Termination Fees. If the Client terminates this Contract, \$[AMOUNT] will be non-refundable due to the Preparer's fixed costs and efforts of engaging in the contract and to fund already completed work.

7. EFFECT OF TERMINATION

Upon termination of this Agreement:

- a. Client will pay Preparer for all Services rendered through the effective date of termination;
- b. Preparer will deliver to Client all work product developed through the Effective Date of termination;
- c. Preparer will immediately return to Client all documents containing any confidential information of Client and any copies thereof which Preparer has in its possession or under its control; and
- d. Preparer will immediately return to Client any tangible property belonging to Client.

8. SENDING DOCUMENT

We utilize a secure file exchange portal in accordance with IRS and other regulation standards. It is the highest level of encryption available and will be the only way we will provide you with the electronic copies of your completed tax return. Please DO NOT send original documents to our firm. Scan in your data and upload to our secure file exchange portal. Be sure to also note any passwords for such documents (though they are unnecessary due to the security of the portal itself).

9. DOCUMENT RETENTION

In accordance with our firm's current documentation retention policy, we will retain our work papers and your tax returns for your engagement for **LENGTH OF DOCUMENT RETENTION** years. After seven year, our work papers and files will no longer be available. Physical deterioration or catastrophic events may shorten the time during which our records will be available. The working papers and files of our firm are NOT a substitute for the original records of your company. When any records are returned to you, it is your responsibility to retain and protect the records for possible future use, including potential examination by governmental or regulatory agencies. It is agreed and understood that in connection with the performance of this engagement by Preparer that the workpapers prepared by us shall remain the property of Preparer.

10. GOVERNMENT INQUIRIES

This engagement specifically excludes responding to inquiries by any governmental agency or tax authority. If your return is selected for examination or audit, you may request our assistance in responding to such an inquiry, and we will establish a separate engagement for those services. The IRS permits you to authorize us to discuss, on a limited basis, aspects of your return for one year after the return's due date. Your consent to such a discussion is evidenced by checking a box on the tax return. Unless you tell us otherwise, we will check the box authorizing the IRS to discuss the return with us.

11. RELATIONSHIP

- a. Independent Contractor Status. Preparer understands and agrees that in performance of this Agreement it is acting as an independent contractor and is not, and will not hold itself out to be, an agent or employee of Client by virtue of this Agreement. Preparer will perform the requested services under the general direction of Client, but will determine, in its reasonable discretion, the manner and means by which the services, are accomplished subject to the requirement that Preparer shall at all times comply with applicable law and meet accepted professional and industry standards, as well as the quality, specifications and format of delivery provided for herein.
- b. Employment Taxes and Benefits. As an independent contractor, Preparer is responsible for and agrees to file all tax returns required by law and assumes sole liability for all self-employment and income taxes due on income earned pursuant to this Agreement. Client will not treat Preparer as an employee, with respect to performance of this Agreement, for federal, state or local tax purposes or otherwise. Client will not be responsible for payment of workers' compensation insurance, unemployment compensation or disability insurance, or for withholding or paying employment-related taxes based on the services. Preparer acknowledges that it is not entitled to any rights or benefits (including vacation and insurance) to which Client's employees may be entitled.
- c. Workers' Compensation Coverage. Preparer understands and acknowledges upon signing this Agreement that Client will NOT supply any workers' compensation benefit required by any jurisdictions to anyone with independent contractor status.

12. REPRESENTATIONS AND WARRANTIES

- a. Preparer represents and warrants that:
 - i. Preparer swears to perform all services to the highest standards as defined by the National Association of Accountants and the National Tax Preparers' Association;
 - ii. Preparer will comply with all applicable federal, state and local laws in the performance of its obligations under this Agreement and the Services and Deliverables will be performed in a professional and workmanlike manner in accordance with reasonable industry standards as well as any quality, specifications and format of delivery provided for herein;
 - iii. Preparer has the right and ability to enter into this Agreement and Preparer operates as a Preparer, and regularly make its services available to other clients or the general public, and has adequate insurance as applicable by

local law, any necessary license, and other conventional means of conducting Preparer; and

b. Client hereby represents and warrants that:

- i. Client has the right and ability to enter into this Agreement and operates as a Preparer.
- ii. Client will not enjoin or interfere with Preparer's duties to perform its work contracted herein.
- iii. The Client will provide to the Preparer with full access to all financial accounts and records. Furthermore, the Client assumes full responsibility for the accuracy of existing financial records.

13. INDEMNIFICATION

Client agrees to indemnify and hold and defend Preparer harmless from and against any losses, liabilities, claims, suits and costs and expenses (including without limitation reasonable attorneys' fees and court costs) incident thereto which Preparer may hereafter incur, become responsible for or pay out as a result of death or bodily injuries to any person and/or the damage or destruction to any tangible property, or on account of any violation or alleged violation of government laws, regulations or orders caused by or arising out of, Client's breach of any term contained in this Agreement, or any negligent or willful act of Client, its employees, or agents in the performance of its duties under the provisions of this Agreement.

14. CONFIDENTIAL INFORMATION

- a. Access. Preparer acknowledges that it and its employees, agents or representatives may, in the course of the performance of this Agreement, be exposed to or acquire information which is proprietary to or confidential to the other Party or its affiliated companies or their clients. Any and all information of any form related to the Client by the Preparer or its employees, agents or representatives in the performance of this Agreement, will be deemed to be confidential and proprietary information ("Confidential Information"). Confidential Information will not include any information that: (i) is or becomes generally known to the public through no fault or breach of this Agreement by either Party; (ii) The Party can demonstrate it was rightfully in the Party's possession at the time of disclosure, without an obligation of confidentiality.
- b. No Ability to Share Information. Preparer agrees to hold such Confidential Information in strict confidence and not to duplicate or disclose such Confidential Information to third parties, other than what is reasonable and necessary to perform an executed Scope or to use such Confidential Information for any

purposes whatsoever other than the provision of services under this Agreement, and to advise each of its employees, agents and representatives of their obligations to keep such Confidential Information confidential. It is agreed and understood that in the event of a breach of this provision, damages may not be an adequate remedy, the Client will be entitled to injunctive relief to restrain any such breach, threatened or actual.

15. ASSIGNMENT

Neither party may transfer or sell all or any part of its rights or obligations hereunder, by operation of law or otherwise. This Agreement will be binding upon and inure to the benefit of the Parties and their respective heirs, legal representatives, successors and permitted assigns.

16. NOTICES

All notices required or permitted to be given hereunder will be in writing and forwarded to the following physical address and email addresses:

- a. Client: [INSERT ADDRESS AND EMAIL]
- b. Preparer: [INSERT ADDRESS AND EMAIL]

17. SEVERABILITY

In the event that a court of competent jurisdiction holds a provision of this Agreement invalid, the remaining provisions will nonetheless be enforceable in accordance with their terms.

18. MODIFICATION OR WAIVER

No purported amendment, modification or waiver of any portion of this Agreement will be binding unless set forth in a writing signed by both Parties (in the case of amendments and modifications) or by the Party to be charged thereby (in the case of waivers). Any waivers will be limited to the circumstance or events specifically referenced in the written waiver document and will not be deemed a waiver of any other term of this Agreement or of the same circumstance or event upon any reoccurrence of such circumstance or event.

19. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the

State of [PREPARER STATE]. All Parties irrevocably consent to the personal jurisdiction of an exclusive venue in the courts of [PREPARER STATE] in the county of [PREPARER COUNTY NAME].

20. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties relating to the Services and supersedes any and all prior and contemporaneous oral or written understandings between the Parties relating to the Services.

THE UNDERSIGNED HAVE READ AND UNDERSTAND THE ABOVE CONTRACT AND AGREE TO THE TERMS AND CONDITIONS IN THEIR ENTIRETY. IT IS EFFECTIVE AS OF THE EXECUTION DATE.

PREPARER:

Date

Printed Name: _____

Title: _____

CLIENT:

Date

Printed Name: _____

Title: _____