

Salley & Clements, PC
Partnership Tax Return Engagement Letter

This letter is to confirm and specify the terms of our engagement with _____ for the year ended December 31, 2011 and to clarify the nature and extent of the services we will provide. Also, by sending you this engagement letter we have assumed that you are the person responsible for the tax matters of the partnership. If this is not a correct assumption, please furnish us with the name of the tax matters partner.

Our engagement will be designed to perform the following services:

1. Prepare the federal, state, and local income tax returns with supporting schedules from information that you will furnish to me.
2. Perform any bookkeeping necessary for preparation of the income tax returns.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations or other irregularities, should any exist. However, should we find any irregularities or unusual items we will bring them to your attention. If we discover any errors or omissions on a prior year return we will bring that to your attention.

We will use our judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor whenever possible.

The law provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on these penalties, please contact us. Because this is an entity whose tax attributes flow through to its partners or members, the penalty for substantial understatement of tax relating to this entity may be imposed on the partners or members.

Management is responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of the financial records. **You have the final responsibility for the income tax returns and, therefore, you should carefully review them before you sign and file them.**

If an extension of the time is required, any tax that may be due with this return must be paid with that extension. Any amounts not paid by the filing deadline may be subject to interest and late payment penalties.

Your returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such governmental tax examination, we will be available, upon request, to represent you and will render additional invoices for the time and expenses incurred.

Our fee for these tax preparation services will be based upon the amount of time required at standard billing rates plus out-of-pocket expenses. **All invoices are due and payable upon presentation. We submit all returns to the IRS electronically. Your return will be transmitted to the IRS after we receive your signature on the authorization to transmit form, and you have paid your invoice.**

This engagement letter does not cover the preparation of any financial statements. Any services related to the preparation of financial statements will be addressed in a separate engagement letter.

We are constantly striving to be more efficient and to provide the best service possible. As part of that effort we deliver the "Client Copy" of your tax return to a secure website portal, where you may login, retrieve and print your tax return anytime you wish, 24 hours a day, 7 days a week.

Check One:

Online Copy – I elect to receive FREE secure online access to my tax returns 24 hours a day, 7 days a week to print or save my return as often as I wish.

Paper Copy - I elect to receive one paper copy of my return and forego access to a 24 hr a day secure web portal to print my return as often as I wish. I understand that additional copies via pdf or paper copy will be subject to a \$15 processing fee.

If the foregoing fairly sets forth your understanding, please sign a copy of this letter in the space indicated below and return it to our office. However, if there are any additional returns you expect us to prepare, please inform us by noting so just below your signature at the end of the returned copy of this letter.

We appreciate this opportunity to work with you.

Very truly yours,

Salley & Clements, PC

Accepted by: _____
Signature Title Date

Comments: