



Tax, Accounting and Super Centre

www.tascentre.com.au

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Engagement letter – non-business individual and family

Dear Client

Thank you for your instructions to attend to the taxation requirements for yourself and your family. A list of the individuals for whom we are to act (**the Group**) is set out in the accompanying Schedule and our comments below are directed to all those persons. This letter sets out our terms of engagement and the scope of the work to be performed by us within that engagement. Please read it carefully and contact this office immediately if you do not understand, or wish to discuss, any aspect.

With effect from 1 March 2010, a new regime for the regulation of tax agents has taken effect under the *Tax Agent Services Act 2009* and accompanying legislation (**TASA**). The new regime has implications for registered tax agents and also for their clients.

An important feature of TASA is the provision of a “safe harbour” protection from penalties in certain circumstances for taxpayers who engage registered tax agents.

To obtain the benefits of “safe harbour” protection, the legislation requires the taxpayer to provide the registered tax agent with “all relevant taxation information” to enable accurate statements to be provided to the Australian Taxation Office. This requirement may be important to both parties in identifying and understanding the purpose and scope of the engagement as set out below and may also affect other matters discussed below.

You will find further discussion on the “safe harbour” protections in the accompanying document entitled **Clients’ rights and obligations under the taxation laws**.

If the terms of our engagement are acceptable, we ask that all persons please sign the enclosed copy of this engagement letter in the places indicated and return same to our office. Please note that we are unable to perform any work for you until we receive the signed copy.

Purpose and scope of engagement

Our engagement is to prepare and lodge the annual income tax returns for yourself and your family.

Unless otherwise agreed, we will prepare the returns on an ongoing basis, in relation to the period following that for which the returns have most recently been finalised, and for each subsequent period.

You and each adult member of your family listed in the Schedule engages us on the terms set out in this letter and is bound by those terms. The adult individuals listed are all jointly and severally liable to pay our accounts, regardless of which of the listed individuals those accounts are addressed to and regardless of which of the listed individuals received the benefit of the work performed.

At TASC rather than having an all-inclusive fee we adopt a ‘user pays’ system so that clients that do not use specific parts of our service are not charged for them, if unsure as to what your fee will be please clarify with the accountant prior to the service being performed.

Fees and charges

Our services will be provided to you on a fee for service basis. A guide of our fees and charges for 'Standard' individual tax returns is available separately if you require to see it prior to signing this engagement letter. This guide can also be made available at any later date should you require it to confirm we have not charged outside of our standard amounts.

As a guide, a 'Standard Tax Return' includes, upto 3 payment summaries, interest income, upto 3 work related expense deductions (not requiring additional questionnaires be completed, prior year tax agent fees, private health details and a zone rebate claim).

Common items our 'Standard Tax Return Fee' does NOT include are our, Fee from Refund Service (\$300 less \$275 discount if paid as agreed, ie \$25), credit card surcharge, 2% and more onerous deductions where we may be required to prepare additional working papers.

'Non Standard' tax return work undertaken is charged at an hourly rate for the work performed. The hourly rate charged varies between different staff members and may also vary depending on the degree of acumen required for more complex matters.

If you require a quote for our service it is your responsibility to request one prior to us beginning work, failure to do so is deemed acceptance of our reasonable fee for service. A reasonable fee is what we consider to be reasonable based on the complexity of work performed and the amount of time consumed in performing that work.

Unless otherwise stated in writing, any estimates which we provide to you of our anticipated fees, disbursements and charges for any work are only indicative of the amounts you can expect to be charged. Estimates are not quotes or caps, and are not binding on us.

Where an estimate is given and the scope of the work changes, or if it becomes apparent that the work involves matters which were not taken into account in the estimate, we will endeavour to advise you and provide an amended estimate as soon as it is practicable to do so.

Each client in the Group is jointly and severally liable to pay our fees in respect of all work performed for all members of the Group.

If we suspend work or terminate this engagement by reason of your failure to make payment, we will not be liable for any loss or damage suffered by any client in the Group as a result of the suspension or termination.

Basis of engagement

Our engagement is to assist with the preparation and lodgement of the STANDARD taxation returns for yourself and your family.

We expect that all relevant information will be collated and forwarded to our office within 1 months of the due date of lodgement of the tax return. We shall detail more specific requirements in respect of the individual tax returns in the next paragraph.

Taxation services

In engaging us to provide taxation services, it is important for you to understand that:

- You are responsible for the accuracy and completeness of the particulars and information provided to us by you.
- Any advice we provide is only an opinion based on our knowledge of your particular circumstances.
- You have obligations under the self-assessment regime to keep full and proper records in order to facilitate the preparation of accurate returns.

Documentation

Before we lodge any tax returns on your behalf, we will forward them to you for approval and signing. We will endeavour to ensure that the returns are lodged by the due dates. If you are late in providing information, we will do our best to meet the time limits, but we will not be responsible for any lodgement penalties you may incur. If you are unsure as to your lodgement due date please ask.

Ownership of documents

The tax returns which we are specifically engaged to prepare, together with any original documents given to us by you, shall be your property. Any other documents brought into existence by us, including general working papers, the general ledger and draft documents, will remain our property at all times.

If our services are terminated (by either party), each person separately agrees that we shall be entitled to retain all documents owned by that person (including all tax refund cheques of that person which come into our possession) until payment in full of all outstanding fees from you and your family on any account. Where copies of any documents released to you are required for our records, you will be charged for the cost of photocopying at our normal rates.

Additional services

These services will be charged on the basis of the time and degree of skill and acumen required to complete the task undertaken by us, including any direct out-of-pocket expenses. Please note in particular that any correspondence from the Australian Taxation Office that does not relate to initial assessments or original payment notices will be charged as additional services.

Limitation of liability

Our firm's liability may be limited by a scheme approved under Professional Standards Legislation.

We shall now outline the basis of our engagement in the context of the specific services to be provided.

It should be noted at the outset that as a general proposition we rely upon our clients to provide us with accurate and timely information to enable us to properly perform our engagement obligations. Consequently, any rectifying work performed by us on the basis of incorrect or late information will be work that is outside the scope of this letter and will be charged as additional services.

Information relating to your affairs

Our firm may from time to time use the services of third party contractors to perform some of the services we are engaged to perform for you. Each client in the Group hereby authorises us to disclose information relating to that client's affairs to all such third party contractors as we may choose to engage to perform such work.

Where we use the services of third party contractors, we are nevertheless responsible for the conduct and activities of those contractors and for the delivery of the services we are engaged to perform for you.

From time to time our firm and our third party contractors may engage external IT service providers (including in relation to 'cloud computing' services) in the performance of services under this engagement. Each client in the Group hereby authorises us and our third party contractors to disclose information relating to those clients' affairs to all such external IT service providers as we or our third party contractors may choose to engage.

We may also need to disclose information relating to one client's affairs to other clients in the Group to assist in performing our work, or to a professional body of which we are a member in relation to a quality review program undertaken by that body. Each client in the Group hereby authorises us to do so when we consider it appropriate to further our performance of work for the Group, or when required by that professional body.

Income tax returns

This firm has been engaged to prepare and lodge income tax returns for yourself and your family.

Please ensure that you have all source documentation available to allow this firm to analyse the income tax implications of any transaction, if we request to see it. Whilst we will not as a matter of course be looking at these documents, the ATO will expect you (and you are required) to have them available before any claim is made in your income tax return. We may in some circumstances also request to see source documents if a tax issue is particularly contentious.

It is also expected that, in respect of individual income tax returns, each person will have the necessary documents so as to comply with the substantiation provisions of the *Income Tax Assessment Act*.

We will specifically advise as to the requirements of the substantiation provisions relating to your income tax return and of the necessity to obtain acceptable receipts as specifically required by the legislation. We will not, however, be checking that the requirements of the substantiation provisions have been satisfied.

This specifically means that we will not be reviewing your log book or any calculations or information you provide us, for example a rental property schedule either prepared by you on spread sheet or by a property manager. If you require assistance in completing a log book or preparing any calculations or you would like us to review such work, please discuss this with us. This will entail work that is outside the scope of this letter and may be charged as additional services.

From time to time, this firm prepares templates and schedules to assist with the collation of information to complete income tax returns.

These will be provided free of charge.

The fee for this service does not cover any inquiries made to us or investigations involving us conducted by the Australian Taxation Office. Substantial penalties apply for an incorrectly prepared income tax return. If you have any queries in respect to this, please contact our office for assistance.

You and each person in your family agrees that we can bank into our trust account tax refund amounts received on behalf of that person and can deduct from those amounts any fees owed to us either by that person or by any other member of the family.

2.9 Information relating to your affairs

Our firm may, from time to time, use the services of third party contractors to perform some of the services we are engaged to perform for you.

The list of third party contractors currently used by our firm, to whom client information will or may be disclosed, is as follows:

Nil

We will notify you in the following year of any change to this list.

Each client in the Group hereby authorises us to disclose information relating to that client's affairs to such third party contractors as we may choose to engage to perform such work.

Where we use the services of third party contractors, we are nevertheless responsible for the conduct and activities of those contractors and for the delivery of the services we are engaged to perform for you.

From time to time, our firm and our third party contractors may engage external IT service providers (including in relation to "cloud computing" services) in the performance of services under this engagement.

The list of external IT service provider(s) currently used by our firm or our third party contractors, to whom client information will or may be disclosed, is as follows:

A PC Medico
Sage Handisoft

We will notify you in the following year of any change to this list.

Each client in the Group hereby authorises us and our third party contractors to disclose information relating to those clients' affairs to such external IT service providers as we or our third party contractors may choose to engage.

We may also need to disclose information relating to one client's affairs to other clients in the Group to assist in performing our work, to persons responsible for the governance of an entity to comply with accounting standards, or to a professional body of which we are a member, in relation to a quality review program undertaken by that body. Each client in the Group hereby authorises us to do so when we consider it appropriate to further our performance of work for the Group, or when required by that professional body.

We may also need to disclose information relating to one client's affairs to other clients in the Group to assist in performing our work, to persons responsible for the governance of an entity to comply with accounting standards, or to a professional body of which we are a member, in relation to a quality review program undertaken by that body. Each client in the Group hereby authorises us to do so when we consider it appropriate to further our performance of work for the Group, or when required by that professional body.

Confirmation of engagement

Obviously, there are many issues to consider in this engagement and we ask that you consider all aspects of this letter to ensure that you are satisfied with the scope of our engagement.

Please contact us if you have any queries about this letter.

Once you are satisfied with the terms of this letter, would you please have all persons sign and date both copies of this letter in the places indicated.

One copy should be forwarded to us as evidence of your acceptance of the terms of our engagement. You should retain the other copy as your evidence of our engagement. We note again that we are unable to perform any work for you until we receive the signed letter.

We thank you for the opportunity to provide accounting and taxation services to you and your family and we look forward to developing a close accounting relationship with you for many years to come.

Yours sincerely,

Steven Williams

Director

Tax, Accounting and Super Centre

I, &

TFN (tax file number)

Date of Birth

Contact Phone Number

Hereby appoint Tax, Accounting and Super Centre as my legal representative with the Australian Taxation Office and ask them to complete the appropriate forms to reflect the below appointments.

(please circle)

Income tax matters YES / NO
 GST and Installment Statement Matters YES / NO

**SCHEDULE
 CLIENTS**

Account Keeping Fee (NB ONLY applies if you do not pay your fees as agreed):

We, the parties named in the schedule below agree that on top of any fees outlined in the Schedule above (attached), that should our account with TASC remain outstanding for a period of more than 30 days from the date of invoice that TASC may (at their sole discretion) charge an additional account keeping fee of up to \$275 that we will be bound to pay. Furthermore we acknowledge that TASC's fees are due to be paid regardless of the fact that we may choose to not proceed in full with their service (For example If we are un-happy with the work performed and do not want the return lodged / finished) subject to TASC's refund policy as published in their front office.

Acknowledgment of terms of engagement

We, the parties named in the Schedule, confirm that we understand and agree to your terms of engagement and appoint TASC as our tax agent.

Dated the _____ day of _____ 20_____.

Name : **Signed**
 ,

Name : **Signed**

Photo Identification Sighted YES / No