

**479 Winnipeg Street, Penticton, BC, V2A 5M7**  
**P: 250-770-0184 | E: admin@lhrlp.ca**

Dear Sir/Madam;

The purpose of this engagement letter is to clearly define our respective responsibilities in the preparation of your personal income tax returns for the current taxation year and subsequent years should you choose to continue this engagement.

IT IS UNDERSTOOD AND AGREED THAT YOUR RESPONSIBILITY AS THE TAXPAYER IS AS FOLLOWS:

- (a) The accuracy of the information and completeness of the representations reflected in your return is your responsibility under the *Income Tax Act*. You represent that the information supplied to me is, to your knowledge, correct and complete, and fully discloses all of your reporting requirements under the *Income Tax Act*.
- (b) You confirm that you have provided us with all income and deduction items to be included in your tax returns and that they are correct and complete. You confirm that all sources of income have been disclosed, all deductions were incurred to earn income, and all credits claimed are supported by receipts.
- (c) If you owned certain property outside of Canada totaling more than \$100,000 at any time during the taxation year, it may be necessary for you to declare such ownership in your tax return(s). There are substantial fines and penalties for non-compliance.

Did you hold a beneficial interest in specified foreign property totaling more than \$100,000:

YES OR NO: \_\_\_\_\_

- (d) If you disposed of any property, including your principal residence, the disposal must be declared. This includes deemed disposals such as a change in use of a property.

Did you **dispose of** any property during the year including your principal residence (i.e.: sell, move out of or transfer ownership):

YES OR NO: \_\_\_\_\_

Did you **change the use** of any property during the year including your principal residence (i.e.: Move into your rental property or change your principal residence into a rental):

YES OR NO: \_\_\_\_\_

- (e) You are not aware of any illegal or possibly illegal acts for which you have not disclosed to us all facts related thereto.



IT IS UNDERSTOOD AND AGREED THAT MY ROLE AS YOUR TAX RETURN PREPARER IS AS FOLLOWS:

- (a) We will not audit, review, or otherwise attempt to verify the accuracy or completeness of any information provided. It is up to you to provide us with accurate and complete information necessary to prepare such personal income tax returns.
- (b) Services outside of tax preparation will require a separate engagement letter and terms including consulting, bookkeeping and other.

## FEES

Upon completion of your income tax return or after providing advice and/or related services, we will render a bill for services at our usual billing rate, which will be payable on receipt. Any outstanding amounts past 7 days will be charged interest at 2% per month, accumulated daily, and all discounts will be removed. Balances past 14 days incur weekly administrative fees in the amount of \$25+GST for collections.

Other work may be performed at your request at our regular billing rates with the same terms as above.

Fees for bookkeeping services for rental properties, self-employment or other schedules are billed in addition to the tax preparation fee.

Payments deemed uncollectible will be sent to collections or small claims court. All costs associated with collections are covered or reimbursed by the client, including all legal costs, administration costs, filing fees and any other related expenditures.

**I understand that tax returns will not be filed or released before payment is received.** \_\_\_\_\_

## CONFIDENTIALITY

By signing this letter, you agree that I may retain personal information and any records containing personal information pending satisfaction of any outstanding accounts, even if a request is made under *Personal Information Protection Act* for access to that information.

We will maintain in confidence the information you give us. Accordingly, your personal information will not be disclosed to individuals outside our firm or used by anyone in our firm other than those who are involved in preparing your tax returns and/or providing related services, except:

- (a) with your consent;
- (b) as authorized or required by the *Personal Information Protection Act* ("PIPA"), or other law;
- (c) as authorized or required under the Bylaws and Rules of Professional Conduct of the Institute of Chartered Professional Accountants of B.C., or other applicable professional obligations (see, for example, "PRACTICE INSPECTIONS" below); or
- (d) as set out below under "USE AND DISCLOSURE OF PERSONAL INFORMATION".

## PRACTICE INSPECTIONS

In accordance with our professional obligations under the *Accountants (Chartered) Act* and Bylaws thereunder, my client files must periodically be reviewed by practice inspectors and firm personnel, to ensure we are following applicable professional and firm standards. Reviewers are required to maintain confidentiality of client information.



## USE AND DISCLOSURE OF PERSONAL INFORMATION

You will provide the information we need to prepare your personal income tax returns. By signing this letter, each taxpayer consents to our use and disclosure of personal information as is necessary for the purpose of preparing your personal income tax returns, including:

- (a) transferring personal financial information from one's return onto another's return, in order to maximize eligible tax credits, minimize taxes payable, or take advantage of deductions;
- (b) filing your tax returns with the Canada Revenue Agency; and
- (c) delivering your completed tax returns to you.

We may also use personal information to communicate with you and determine whether other accounting services may be of benefit, and, if so, to offer those services. If you would prefer we not send such communications, please so indicate below.

## LIMITATION OF LIABILITY

The liability of Long-Haggerty Chartered Professional Accountant Inc. to you and your family for any claim related to professional services provided pursuant to this engagement letter in either contract, negligent misrepresentation or tort, including the partners, officers or employees of the accounting firm shall be strictly limited to \$10,000. No claim shall be brought against the accounting firm in contract, negligent misrepresentation or tort more than three years (from date of Notice of Assessment) after the services were completed or terminated under this engagement.

If you have any questions about the contents of this letter, please call us at 250-770-0184. If the services outlined are in accordance with your requirements and if the above terms are acceptable to you, please sign this letter in the space provided and return it to me prior to my commencement in preparing your personal tax returns. I appreciate the opportunity of continuing to be of service to you and your family in the preparation of your personal income tax returns.

Yours truly,



Jane Long-Haggerty, CPA, CA, BBA, LQ  
Long-Haggerty Chartered Professional Accountant Inc.

The services and terms as set out above are as agreed. As well, we acknowledge and accept our responsibilities as the taxpayer as outlined above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

