

Date:

Your names and address:

Engagement letter

Please review the attached checklist, note any changes and check the items you are including. If you like, you can make an appointment to see me to have your return prepared. Alternately, you may drop off your records at my office.

If you have been spending a lot of time in the USA, please speak to me to see if there is any requirement on your part to declare your residency status to the IRS.

If you are a US citizen or green card holder, there is also likely more information required.

Important Dates to Remember

- T4 and T5 slips have to be issued to you by February 28th
- You have the first 60 days of the next year to contribute to your RRSP
- If you are required to pay taxes by instalments, your first quarterly instalment is due March 15
- T3 slips, which report to you income such as from your mutual funds, are due to be issued by March 31. However, you may find that many of those do not come until later in April.
- The due date for your income tax return and payment of taxes owing is April 30, 2015.
- However, if you are self-employed, you do not have to file your return until June 15, 2015 (even though your taxes are still due April 30), which is also the due date for your US return, if you are a US citizen or green card holder.

I appreciate the opportunity to work with you and advise you on income tax matters. Penalties are imposed by The Canada Revenue Agency (CRA) upon taxpayers, and upon us as tax return preparers, for failure to observe due care in reporting on your income tax returns. In order to ensure an understanding of our mutual responsibilities, I ask all clients for whom I prepare tax returns to confirm the following arrangements. It is my responsibility to prepare your tax return correctly according to the law and the information that you have provided.

I will prepare your personal income tax returns based on information that you provide to me. I will not audit or otherwise verify the data you submit, although I may ask you for clarification of some of the information. Accordingly, your (and your family's) personal income tax return(s) will include the following statement "Prepared without audit or review from information provided by the taxpayer" along with my firm name identified as the preparer of your tax return. If the income tax return contains any business or rental forms or schedules for which I compile the figures, I will include with such forms or schedules a "Notice to Reader" report in the following form: *This statement has been compiled on the basis of information provided by the taxpayer. I have not performed an audit or a review engagement in respect of these financial statements, and accordingly, I express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.*

It is understood and agreed that your responsibility as the taxpayer is as follows:

- It is your responsibility to provide me with all the information required to prepare complete and accurate returns. You have been informed of the consequences of not providing complete information, invoices etc. The consequences may be a refund re-payment, (or complete disallowance of claims) plus interest, etc. as imposed by CRA . By signing this letter, you are stating that you and you alone, will take full responsibility for all claims etc. as may be imposed by CRA You should retain all the documents that support your income and deductions. These may be necessary to prove the accuracy and completeness of the return to CRA . You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign it. By signing this letter, you agree that you will provide me with accurate and complete information necessary to prepare your tax returns.

- The accuracy of the information and completeness of the representations reflected in your return is your responsibility under the *Income Tax Act and the Internal Revenue Code*. 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*.

- *When your returns are completed, by signing them*, you confirm that all income and deduction items included in your tax return are correct and complete. You confirm that all sources of income have been disclosed, all deductions were incurred to earn income, and receipts support all credits claimed.

- All business (including commission, farming, and professional incomes) and rental schedules present the results of operations and include all material transactions.

All income and benefits from employment have been reported, whether or not they are on information slips.

All income from investment (whether received or not) has been reported, whether or not they are on information slips.

All dispositions of a capital nature, and their costs, have been reported.

All estimates for personal use of automobile, business portion of residence, and other such estimates you have provided are reasonable and supported by usage logs and other evidence.

- **If you owned certain property outside of Canada with a total cost of more than \$100,000 at any time during the tax 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.**

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

- My office respects the privacy of personal information, that is, information that identifies you as an individual, or that is associated with such identifying information. By engaging my services, you agree to provide personal information necessary for me to meet your service requests.

- Before you provide me with any personal information on behalf of others, you agree that you will have obtained consent for collecting, using, and disclosing this information, according to privacy legislation. I will not disclose your private information to anyone, including your spouse, without your authorization.

- I want you to know that I will not rent, sell, or otherwise make your personal information, including contact information, available to any third party without your permission. I use your information to complete your service requests and to maintain my professional correspondence with you. I follow rigorous privacy practices and I have a privacy policy that governs my use and handling of the information you provide to me. Please call me if you would like additional information about these practices. To change your contact information or to let me know if there are any types of correspondence you do not wish to receive from my office, please contact me.

- CRA or IRS may select your return for review. Often they request copies of your receipts and other times they may require a full audit. Any adjustments proposed by CRA or IRS are subject to certain rights of appeal. In the event of such tax examinations, I will be available upon request to represent you.

- My fee for services is based on my fee schedule plus out-of-pocket expenses. All invoices are due and payable upon presentation.

I shall be pleased to discuss the contents of this letter with you at any time. Thank you for your trust and continued patronage. I have been preparing your tax returns since your 1997 returns. Thank you for past patronage, and I look forward to the privilege of being of service to you again this tax season.

If this letter accurately reflects your understanding, please acknowledge your agreement by signing and returning to me when you bring in your tax papers. Please feel free to call me with any questions or concerns...

As well, please visit my website bertmulder.com. Items I post there relating to tax and accounting news may be of interest to you.

Yours truly,



Bert Mulder, CPA, CGA

The services and terms as set out above are as agreed. As well, I acknowledge and accept my responsibilities as outlined above. In addition, I confirm that:

- I have provided you with the correct and complete information with regards to ownership of, or beneficial interests in, specified foreign property to be reported on the Foreign Income Verification Statement (T1135) and I have fully disclosed the related foreign income.
- I did not, at any time during 2014, own or hold beneficial interests in specified foreign property with a total cost of more than \$100,000.
- I am or my spouse is a US citizen. US citizen must file returns with the US authorities. There are significant penalties for failure to comply.
- I am or my spouse is US greencard holder. A US green card holder must file returns with the US authorities, unless have made an election with the IRS that you are Canadian resident. There are significant penalties for failure to comply.
- I wish to use the new CRA online mail system. Please provide my email address to CRA.
- I authorize you to work with my spouse on my tax matters.

If you have a spouse, please both sign this letter

Date: