Wednesday, 24 September 2025

Client’s name and address

Dear Sir/Ma’am,

**RE: Professional Engagement Letter as your Accountant and Tax Agent**

Confirming our discussions, I would be pleased to accept an appointment as your Accountant/Tax Agent. I will always act in your best interest and provide the highest level of professional service. This document sets out the terms of the engagement. Any additions will be made by the written agreement of both parties.

We have considerable experience with businesses in your industry, so I am certain that we can bring an informed mind to your tax management. We would be happy to review your existing tax structures as part of our welcome procedures.

As your Accountant/Tax Agent, I will:

a) Analyse, discuss and prepare recommendations regarding your accounting records and financial affairs; and

b) Prepare and lodge your tax return for the year **\_\_\_\_\_\_\_\_\_**. In addition to the financial information required to complete these tax returns, it is expected that all relevant source documentation will be made available to me. You are responsible for compliance with the substantiation provisions of the Income Tax Assessment Act. I will not be responsible for any errors brought about by your failure to provide information or documentation later found to be material to your tax affairs. You are responsible for the timely provision of information, and I will not be responsible for any late lodgement or other fees and fines brought about by your failure to act in a timely manner.

Please note that any refund is an estimate only, and I am not responsible and will not accept liability if the Australian Taxation Office determines an outcome that is different from what is lodged.

**Professional Fees and Payments**

The standard professional fees are (subject to notification of change):

* A set fee of $150 for a simple income tax return ($95 for international students only) \*
* ABN/ACN/GST Application is $80 each\*
* Bookkeeping fee can be charged hourly or monthly, depending on transaction volume\*
* If your business needs accounting software, we offer a package of setup and 1-hour training session for $280\*

\*\*\* **Any backlog of returns will need to be quoted separately.**

**\*\*\*** **I am assuming a standard number of bookkeeping hours – but we will keep track of it, and if it gets significantly over, we will need to revise the quote.**

**\*\*\* All tax advice requested by you will be provided to you in writing only; we will not provide it to you verbally, because we are required by the ATO to keep a record of such advice and the supporting documentation for any advice provided for five years.**

Conditions to apply to receive the cheaper rates. The fee from the refund incurs a $100 admin fee, and any additional time needed will be charged accordingly.

**Terms of Payment**

All fees are to be paid prior to the lodgement of the income tax return and other required services. Should there be a need to send your fee for debt recovery, any additional collection costs will be charged to you and will be collectable above my invoiced fee.

**Client’s disclosure and record-keeping obligations**

You are required by law to keep full and accurate records relating to your tax affairs. It is your obligation to provide me with all information that would be reasonably expected/will is necessary to allow me to perform work contemplated under the engagement within a timely manner or as requested. This includes providing accurate and complete responses to questions asked of the client by the practitioner. Inaccurate, incomplete or late information could have a material effect on services and/or conclusions.

The Taxation Administration Act 1953 now contains specific provisions that may provide you with “safe harbor” from administrative penalties for incorrect or late lodgement of returns. These safe harbor provisions will only be available to you if, amongst other things, you provide “all relevant taxation information” to me in a timely manner (the safe harbor provisions apply from 1 March 2010). Accordingly, it is to your advantage that all relevant information is disclosed to me as any failure by you to provide this information may affect your ability to rely on the “safe harbor” provisions and will be considered in determining the extent to which tax practitioners have discharged their obligations to clients. It is your responsibility to show that you have brought all matters to our/my attention if you want to take advantage of the safe harbors created under the new regime.

**Previous Returns**

I have not been engaged to review the accuracy of any previous returns lodged by you or by a previous Tax Agent.

**Client’s rights and obligations under the taxation laws**

Taxpayers have certain rights under Australian taxation laws, including the right to seek a private ruling from the Australian Taxation Office (ATO) or to appeal or object against a decision made by the Commissioner. Taxpayers also have certain obligations under Australian taxation laws, such as the obligation to keep proper records and the obligation to lodge returns by the due date. I must keep you informed of any specific rights and obligations that may arise under Australian taxation laws.

**Tax Practitioners’ obligation to comply with the law**

I have a duty to act in our client’s best interests. However, the duty to act in our client’s best interests is subject to an overriding obligation to comply with the law, even if that may require me to act in a manner that may be contrary to your directions. For example, I could not lodge an income tax return that I believe to be false in a material respect.

**Quality Review**

Before documentation is lodged on your behalf, drafts will be forwarded for your approval. Documentation will be lodged with the relevant departments by the due dates, provided that, as a member of the Institute of Public Accountants, as Principal, I am subject to periodic Professional Practice Quality Assurance reviews. You will be provided with the highest standard of professional service. As a member of the Institute of Public Accountants, I am also obliged to hold current Professional Indemnity insurance, and I warrant to you that my insurance coverage is in accordance with the Institute of Public Accountants’ requirements. As a member of the Institute of Public Accountants, I am also subject to the Professional Standards Legislation. My liability is capped under a scheme approved by the Professional Standards Legislation.

We are bound by the provisions of the Privacy Act to maintain all your records securely and in accordance with the provisions of that Act. Any breach of these requirements should be notified to the Privacy Commissioner. As a Tax Agent, we are subject to the code of professional conduct established by the Tax Agent Services Act 2009 (TASA). This code requires that, unless legally required to, I cannot disclose information to a third party without your permission.

**Client Substantiation Declaration**

I confirm that I have been advised by 1SBS Taxation Services as to the requirement to demonstrate that an expense has been incurred for deductible purposes, together with satisfying the substantiation legislation in relation to work, car and business expenses.

 In addition, I have been informed that I need to keep the original receipt of any deductions claimed for a period of five years.

I have all the income tax and substantiation documents necessary to support all claims made in my income tax return. Where items are used for both business and private use, I have advised the appropriate percentage, and I have documentation to support these claims.

I declare:

* That I have disclosed to you all the income I have received
* That all claims for deductions are based on my specific instructions
* That while I may not have the receipts to substantiate the above claims at the meeting, I will make them available if required by the ATO
* I am aware that written evidence will be required during an audit, and penalties apply if incorrect claims are identified
* I am aware that the taxation return is based on information I have supplied to 1SBS Taxation Services, and it is my responsibility to ensure the accuracy of the return
* I acknowledge that any advice given by 1SBS Taxation Services is only an opinion based on knowledge of my particular circumstances, and the advice is relevant to me only

**For any questions**

Please contact the undersigned if you have any queries about this engagement. Otherwise, please respond by return email that you understand and accept the engagement arrangements. An email confirmation is sufficient.

We will handle all matters related to the transfer of files from your current accountant; you don't need to be involved in that process.

Thank you again for the opportunity to provide you with professional accounting and taxation services.

**Acknowledgement and Confirmation**

I/We (Taxpayer) hereby acknowledge and accept the terms of this engagement and agree to be liable for all fees for services performed in accordance with this agreement.

I authorise 1SBS Taxation Services to add my details to their Tax Agent listing with the ATO, and I authorise them to act on my behalf via the Tax Agents Portal.

Signed .........................................................................

Print Name .................................................................. Date …….............................