The T2 engagement letter

Canada edition

[Firm letterhead]

[Date]

The Directors, [Corporation name]
[Address]

Dear [Client contact],

THE ENGAGEMENT

We will prepare and electronically file the T2 corporation income tax return of [Corporation name] for the year ending [date], with its General Index of Financial Information, Schedule 50 and the [province] provincial schedules, from the financial statements and information you provide. [Where applicable: Form T106 / Form T1134.]

WHAT IS NOT INCLUDED

This engagement does not include the preparation or compilation of financial statements, which [is the subject of a separate engagement letter / is set out in the separate section below]; T4, T5 or other information slips; [an Alberta AT1 / a Quebec CO-17 return]; GST/HST returns; shareholder remuneration or dividend planning; shareholder loan advice; reorganizations; or responding to any review, audit or reassessment by the Canada Revenue Agency. We will quote for any of these separately.

THE CORPORATION'S RESPONSIBILITIES

The corporation is responsible for maintaining complete and accurate books and records, for the financial statements on which the return is based, and for telling us about transactions with non-residents, interests in foreign affiliates, and changes in its shareholders or control. We will rely on that information without auditing it.

We need the year-end records by [date]. Records received later may prevent us from filing by the deadline, and additional work caused by the delay is charged at [rate] per hour.

FILING AND AUTHORIZATION

We will provide the completed return and Form T183CORP for signature by an authorized signing officer. We will not transmit the return until the signed T183CORP is returned to us, and the corporation and our firm will each keep a copy for six years.

The return is due within six months of the year end. The balance of tax is due [two / three] months after the year end, and interest runs on any amount unpaid after that date whether or not the return has been filed.

THE LIMITS OF THIS WORK

This engagement is the preparation of a tax return. It is not an audit or review, and it will not necessarily detect errors or fraud in the records provided.

FEES

Our fee is [amount] in Canadian dollars, plus applicable GST/HST, invoiced when the return is ready for signature and payable within [number] days. Work outside this scope is charged at [rate] per hour and agreed with you first.

CONFIDENTIALITY AND YOUR INFORMATION

We keep the corporation's information confidential, hold it in accordance with PIPEDA or the provincial privacy law that applies to us, and retain our working papers for [number] years.

AGREEMENT

Please have an authorized signing officer sign and return a copy of this letter.

Yours sincerely,
[Name], [Firm name]

Agreed for [Corporation name] by [Name, Title]:

Signature _____ Date _____

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