[Firm Name]
[Firm Address]
[City, State, Zip Code]

[Date]

[Client Name]
[Client Address]
[City, State, Zip Code]

Re: Engagement for Tax Controversy Representation

Dear [Client Name],

This letter confirms the terms upon which [Firm Name] ("the Firm") will represent [Client Name] ("the Client") regarding tax controversy matters before the [Internal Revenue Service / State Taxing Authority] for the tax periods [List Tax Years/Periods].

1. Scope of Services
The Firm will provide legal services related to [Description of Audit, Appeal, or Litigation]. This engagement does not include tax return preparation, financial audits, or representation in other matters unless agreed upon in writing.

2. Professional Fees
Our fees for this matter are based on the actual time expended at our standard hourly rates. The current rates for professionals assigned to this matter are:

- Partners: $[Amount] per hour
- Associates: $[Amount] per hour
- Paralegals: $[Amount] per hour

These rates are subject to periodic adjustment.

3. Retainer
The Firm requires an initial retainer of $[Amount] before work commences. This amount will be held in a trust account and applied against future invoices. Any unused portion will be refunded at the conclusion of the matter.

4. Costs and Expenses
The Client is responsible for out-of-pocket expenses, including filing fees, travel expenses, delivery charges, and expert witness fees. These will be billed monthly at cost.

5. Billing and Payment
Invoices will be sent monthly and are due upon receipt. If an account remains unpaid for more than [Number] days, the Firm reserves the right to cease work or withdraw from representation, subject to ethical rules.

6. Client Responsibilities
The Client agrees to provide all requested documentation promptly and to be truthful in all communications. The Firm's ability to represent the Client effectively is dependent upon full cooperation.

7. No Guarantee of Outcome
The Firm will represent the Client's interests to the best of its ability. However, we make no guarantees regarding the final outcome of the tax controversy.

8. Termination
Either party may terminate this engagement at any time upon written notice. The Client remains responsible for all fees and costs incurred up to the date of termination.

Please sign and return a copy of this letter to indicate your acceptance of these terms.

Sincerely,

[Partner Name]
[Firm Name]

Agreed and Accepted:

_____
[Client Name]
Date: _____