

Independent Contractor Agreement for Accountants & Bookkeepers

This Agreement is made between _____ ("Client"), with a principal place of business at _____, and _____ ("Contractor"), with a principal place of business at _____.

1. Services to Be Performed

[Choose Alternative A or B.]

☐ ALTERNATIVE A

Contractor agrees to perform the following services: _____

☐ ALTERNATIVE B

Contractor agrees to perform the services described in Exhibit A, which is attached to and made part of this Agreement.

2. Payment

[Choose Alternative A or B and optional provision, if desired.]

☐ ALTERNATIVE A

In consideration for the services to be performed by Contractor, Client agrees to pay Contractor \$_____.

☐ ALTERNATIVE B

In consideration for the services to be performed by Contractor, Client agrees to pay Contractor at the rate of \$_____ per _____ [unit of time]_____.

[End option.]

3. Terms of Payment

[Choose Alternative A, B, or C.]

☐ ALTERNATIVE A

Upon completing Contractor's services under this Agreement, Contractor will submit an

Invoice. Client will pay Contractor within _____ days from the date of Contractor's Invoice.

☐ **ALTERNATIVE B**

Contractor will be paid \$_____, upon signing this Agreement and the remaining amount due when Contractor completes the services and submits an invoice. Client will pay Contractor within _____ days from the date of Contractor's invoice.

☐ **ALTERNATIVE C**

Contractor will send Client an invoice monthly. Client will pay Contractor within _____ days from the date of each invoice.

[Optional Clause: Check and complete if applicable]

☐ **4. Late Fees**

If Client is late paying Contractor, Contractor's damages will be difficult to measure. As a reasonable estimate of the damages Contractor will sustain, and as liquidated damages and not as a penalty, Client agrees to pay Contractor an additional _____% per month interest charge on the amount owed.

[End Optional Clause]

5. Expenses

Client will reimburse Contractor for the following expenses that are attributable directly to work performed under this Agreement:

- travel expenses other than normal commuting, including airfare, rental vehicles, and lodging; mileage in company or personal vehicles at \$_____ per mile
- telephone, fax, and online charges
- postage and courier services
- printing and reproduction
- computer services, and
- other expenses resulting from the work performed under this Agreement.

Contractor will submit an itemized statement of Contractor's expenses. Client will pay Contractor within 30 days from the date of each statement.

6. Materials

Contractor will furnish all materials, equipment, and supplies used to provide the services required by this Agreement.

7. Term of Agreement

This Agreement will become effective when signed by both parties and will terminate on the earliest of:

- the date Contractor completes the services required by this Agreement
- ____/____/____
- the date a party terminates the Agreement as provided below.

8. Terminating the Agreement

[Choose Alternative A or B.]

☐ **ALTERNATIVE A**

With reasonable cause, either party may terminate this Agreement effective immediately by giving written notice of cause for termination. Reasonable cause includes:

- a material violation of this Agreement, or
- nonpayment of Contractor's compensation after 30 days' written demand for payment.

Contractor will be entitled to full payment for services performed prior to the effective date of termination.

☐ **ALTERNATIVE B**

Either party may terminate this Agreement at any time by giving _____ days' written notice of termination. Contractor will be entitled to full payment for services performed prior to the date of termination.

9. Independent Contractor Status

Contractor is an independent contractor, not Client's employee. Contractor's employees or contract personnel are not Client's employees. Contractor and Client agree to the following rights consistent with an independent contractor relationship.

[Check all that apply.]

- ☐ Contractor has the right to perform services for others during the term of this Agreement.
- ☐ Contractor has the sole right to control and direct the means, manner, and method by which the services required by this Agreement will be performed.
- ☐ Contractor has the right to hire assistants or subcontractors or to use employees to provide the services required by this Agreement.
- ☐ Contractor or Contractor's employees or contract personnel will perform the services required by this Agreement; Client will not hire, supervise, or pay any assistants to help Contractor.
- ☐ Neither Contractor nor Contractor's employees or contract personnel will receive any training from Client in the skills necessary to perform the services required by this Agreement.
- ☐ Client will not require Contractor or Contractor's employees or contract personnel to devote full time to performing the services required by this Agreement.
- ☐ Neither Contractor nor Contractor's employees or contract personnel are eligible to participate in any employee pension, health, vacation pay, sick pay, or other fringe benefits plan of Client.

10. Professional Obligations

Contractor will perform all services under this Agreement in accordance with generally accepted accounting practices and principles. This Agreement is subject to the laws, rules, and regulations governing the accounting profession imposed by government authorities or professional associations of which Contractor is a member.

11. Local, State, and Federal Taxes

Contractor will pay all income taxes and FICA (Social Security and Medicare taxes)

incurred while performing services under this Agreement, Client will not:

- withhold FICA from Contractor's payments or make FICA payments on Contractor's behalf
- make state or federal unemployment compensation contributions on Contractor's behalf, or
- withhold state or federal income tax from Contractor's payments.

The payments specified in Clauses 2 and 3 do not include taxes. If Contractor is required to pay any federal, state, or local sales, use, property, or value added taxes based on the services provided under this Agreement, the taxes will be separately billed to Client. Contractor will not pay any interest or penalties incurred due to late payment or nonpayment of any taxes by Client.

13. Exclusive Agreement

This Agreement (including any attached exhibits) is the entire Agreement between Contractor and Client.

[Optional Clause: Check if applicable.]

[] 13. Modifying the Agreement

This Agreement may be modified only by a writing signed by both parties.

[End Optional Clause.]

14. Resolving Disputes

[Choose Alternative A, B, or C and any desired optional clauses.]

[] ALTERNATIVE A

If a dispute arises under this Agreement, any party may take the matter to court.

[Optional: Check if applicable.]

[] If any court action is necessary to enforce this Agreement, the prevailing party will be entitled to reasonable attorney fees, costs, and expenses in addition to any other relief to which the party may be entitled. *[End option.]*

☐ **ALTERNATIVE B**

If a dispute arises under this Agreement, the parties agree to first try to resolve the dispute with the help of a mutually agreed upon mediator in ____*[list city or county where mediation will occur]*____. Any costs and fees other than attorney fees associated with the mediation will be shared equally by the parties. If the dispute is not resolved within 30 days after it is referred to the mediator, any party may take the matter to court.

[Optional: Check if applicable]

☐ If any court action is necessary to enforce this Agreement, the prevailing party will be entitled to reasonable attorney fees, costs, and expenses in addition to any other relief to which the party may be entitled. *[End option]*

☐ **ALTERNATIVE C**

If a dispute arises under this Agreement, the parties agree to first try to resolve the dispute with the help of a mutually agreed upon mediator in ____*[list city or county where mediation will occur]*____. Any costs and fees other than attorney fees associated with the mediation will be shared equally by the parties. If it proves impossible to arrive at a mutually satisfactory solution through mediation, the parties agree to submit the dispute to a mutually agreed upon arbitrator in ____*[list city or county where arbitration will occur]*____. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction to do so. Costs of arbitration, including attorney fees, will be allocated by the arbitrator.

15. Notice

All notices and other communications in connection with this Agreement will be in writing and will be considered given as follows:

- when delivered personally to the recipient's address as stated on this Agreement;
- three days after being deposited in the United States mail, with postage prepaid to the recipient's address as stated on this Agreement; or
- when sent by fax or electronic mail, such notice is effective upon receipt provided that a duplicate copy of the notice is promptly given by first class mail or the

recipient delivers a written confirmation of receipt.

16. No Partnership

This Agreement does not create a partnership relationship. Neither party has authority to enter into contracts on the other's behalf.

17. Applicable Law

This Agreement will be governed by the laws of the state of _____.

18. Assignment and Delegation

Either Contractor or Client may assign or delegate any of its duties under this Agreement.

Signatures

Client: _____ [Name of Client]

By: _____

Signature

Typed or Printed Name: _____

Title: _____

Date: _____

Contractor: _____ [Name of Contractor]

By: _____

Signature

Typed or Printed Name: _____

Title: _____

Taxpayer ID Number: _____

Date: _____