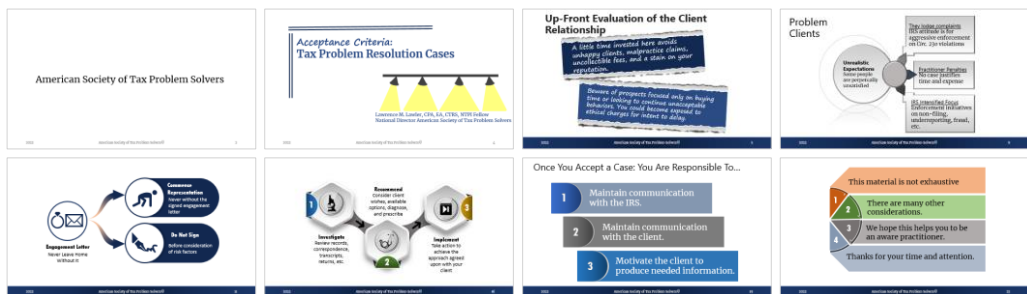


Presentation Overview



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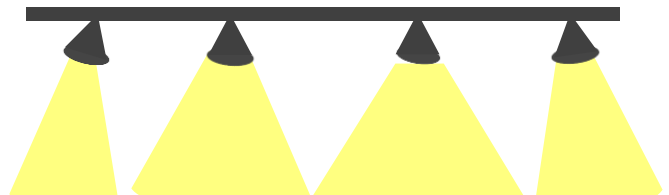
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Acceptance Criteria: **Tax Problem Resolution Cases**



Lawrence M. Lawler, CPA, EA, CTRS, NTPI Fellow
National Director American Society of Tax Problem Solvers

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Up-Front Evaluation of the Client Relationship

A little time invested here avoids unhappy clients, malpractice claims, uncollectible fees, and a stain on your reputation.

Beware of prospects focused only on buying time or looking to continue unacceptable behaviors. You could become exposed to ethical charges for intent to delay.

Before Case Acceptance...

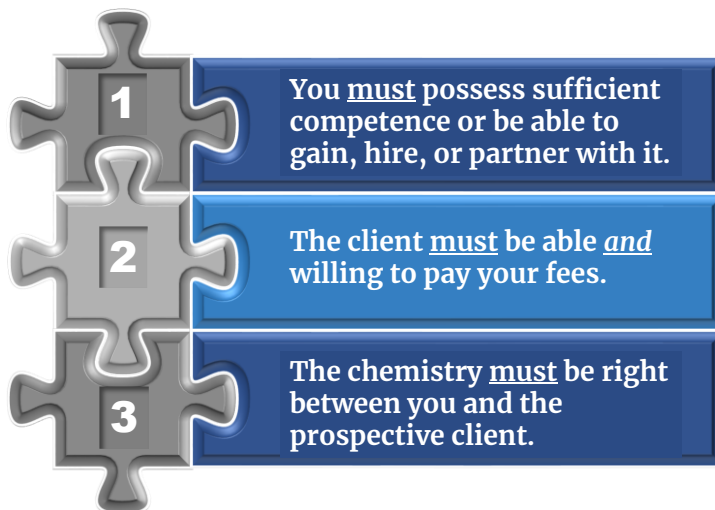
Review the prospect's credit report, and if available, their current financial statements.

The credit record should also be considered when determining any extension of credit.

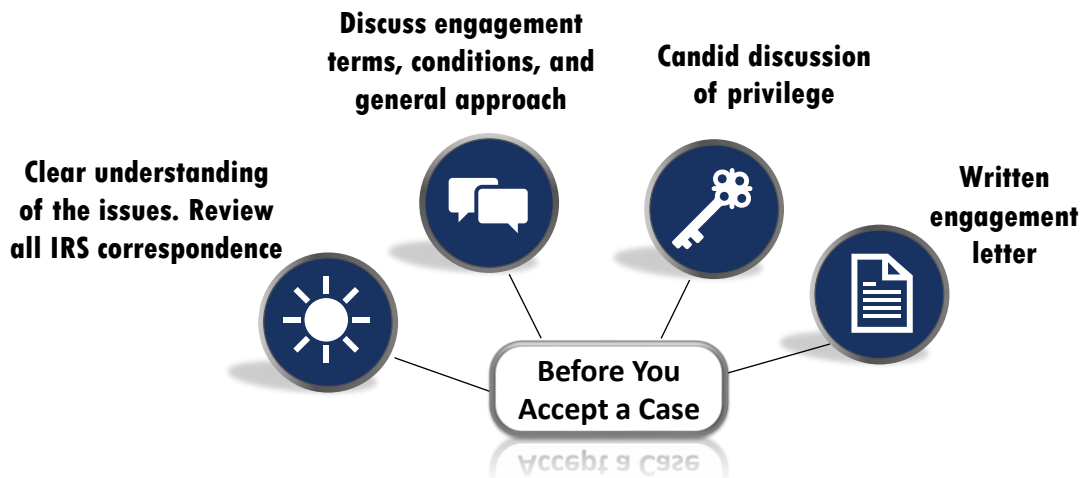
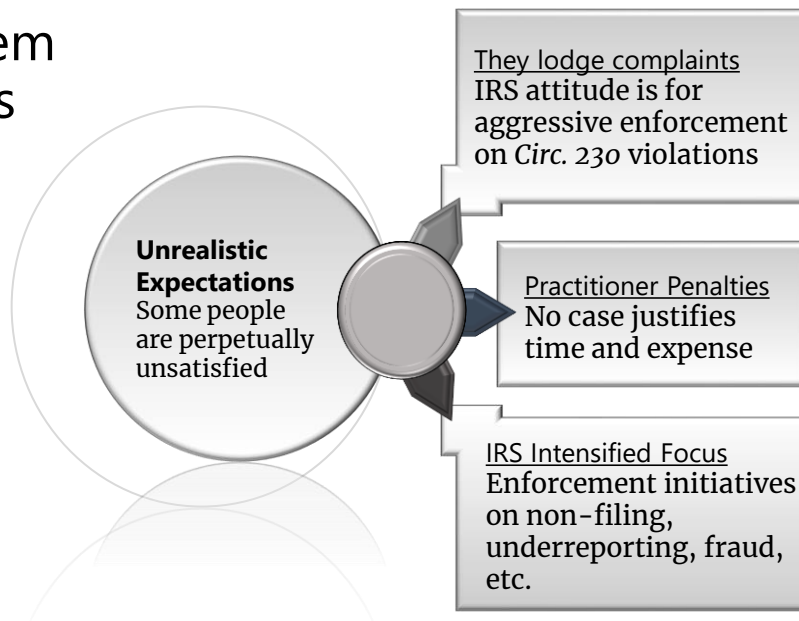
A taxpayer's financial history may reveal:

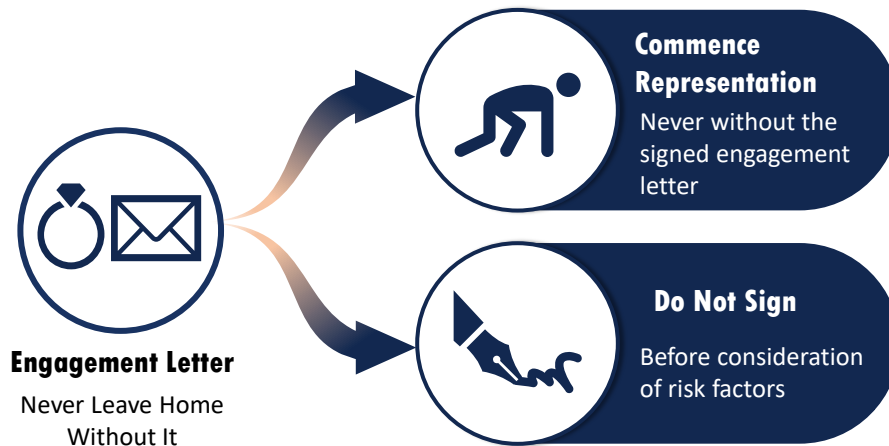
Unlikely to Pay	They are unlikely to pay the <u>IRS</u> despite a favorable resolution being achieved.
Unlikely to Pay	They are unlikely to pay <u>you</u> despite a favorable resolution being achieved.
Untrustworthy	Potential untrustworthiness in disclosures to you or IRS regarding assets and income.

You Cannot Be: Everything to Everyone

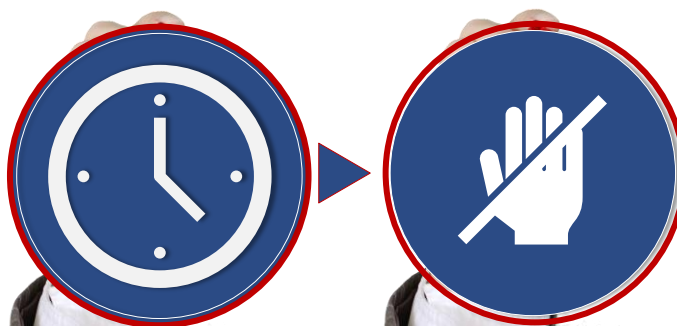


Problem Clients

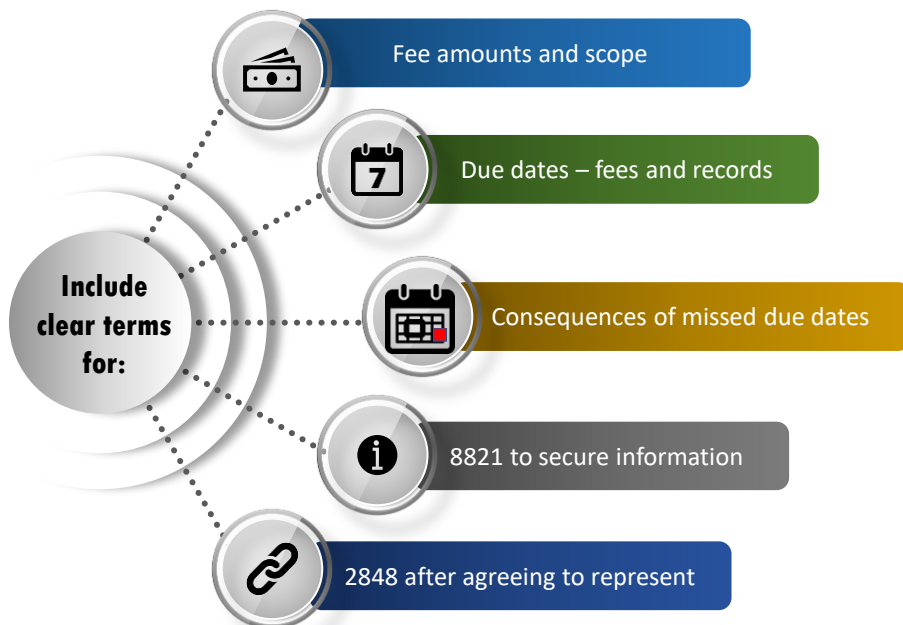
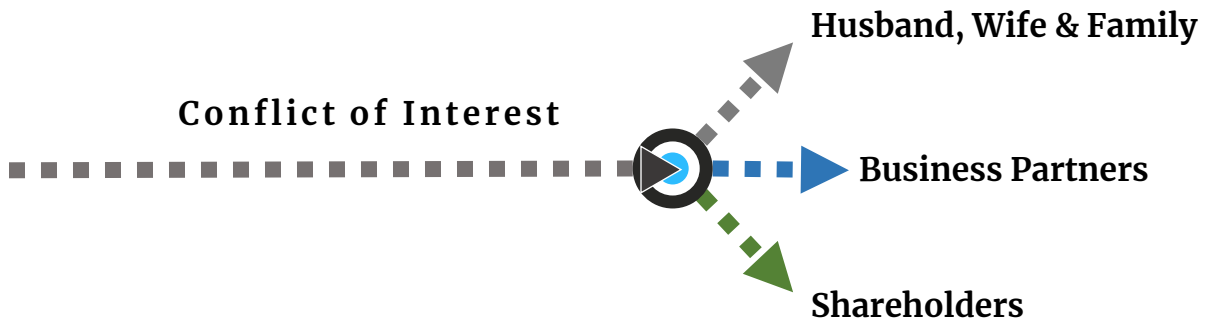




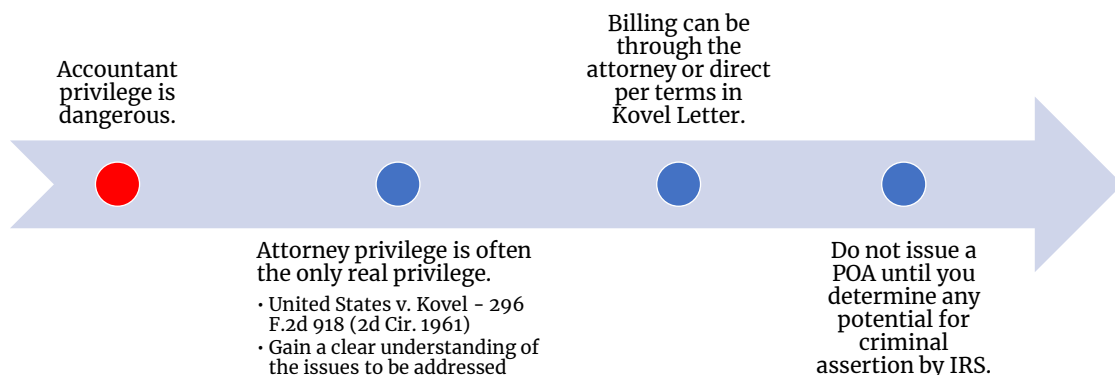
Your fees should cover time to review prior and subsequent year's returns



Reluctance or refusal to sign an engagement letter should cause you to decline the case.



Before You Learn Too Much: Is A Kovel Letter Needed?

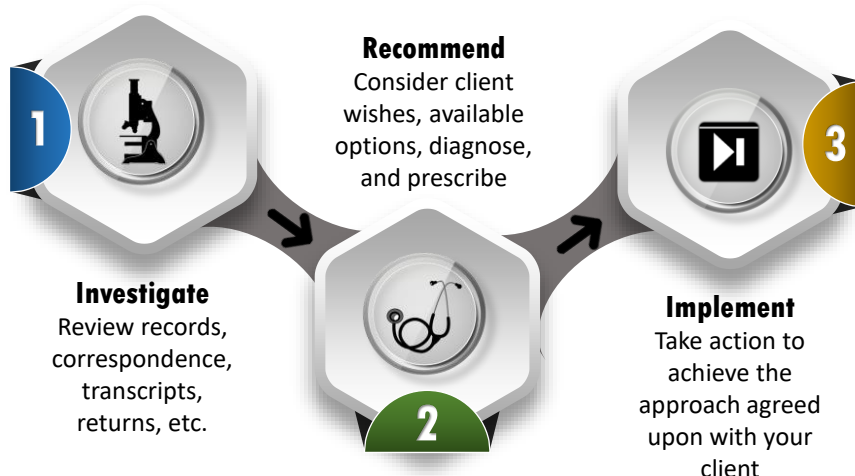


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Tax Information Authorization




Prepare both forms 2848 and 8821 to authorize your access for several prior and several subsequent years with possible exception.

Power of Attorney




File Form 8821 to facilitate the investigation phase of the case prior to committing to represent the taxpayer. Once committed, then file Form 2848.

Tax Information Authorization



Hold 2848 in the file until the decision to accept the case is made.

Power of Attorney



Make it clear in the engagement letter that you have not accepted the case until you submit form 2848.

Once You Accept a Case: You Are Responsible To...

1

Maintain communication with the IRS.

2

Maintain communication with the client.

3

Motivate the client to produce needed information.

Once You Accept a Case: You Are Responsible To...

POINT 1

Review

All information that is to be submitted to IRS.

POINT 3

Meet

Hold a closing meeting with the client. Get t/p's signature.

POINT 2

Request

Examiner's workpapers on audit cases.

Practitioner Requirements for Effective Representation

- 1** Establish his or her competence and credibility,
- 2** Understand and meet the applicable deadlines,
- 3** Will handle all contact with IRS or at least be present during any contact with the IRS,
- 4** Control and document the flow of information between the parties,
- 5** Have an agreement with the taxpayer as to the extent of the practitioner's authority to agree to a particular resolution, and
- 6** Persuasively argue the client's case and arrange a satisfactory resolution. And, have agreement with the client not to withhold approval of a reasonable resolution.

Once You Accept a Case: You Are Responsible To...

- 1** Discuss cost-benefit ratio for continued action.
- 2** Send a follow-up letter with details of any client actions required.
- 3** Return client documents.
- 4** Request referrals and a testimonial.

