Babitzke and Associates
Tax Resolution and Return Preparation Service

How Do You PROTECT Yourself From the IRS In Case You Get An Income Tax Notice or Audit…

Sleep Better at Night Knowing You Don't Have to Pay Thousands of Dollars Or Waste MONTHS Of Your Time Dealing With The Tax Authorities…

Keep Reading to DISCOVER How to Have a Tax Professional At Your Side For Just One Small Fee To Protect You In Case the IRS Comes Knocking…

We prepare tax returns and represent individuals and businesses in front of the IRS and State tax authorities. Tax returns are prepared based on the information you provide. There is no auditing or digging to determine if what you say is complete. Based on that information the return is prepared and filed. What happens if you forget something or the Internal Revenue Service and State has additional information?

You go to your mailbox, pull everything out, and look for something more exciting than the usual bills and junk mail, and then you see it — an envelope with the return address "Internal Revenue Service" stamped on it. And this isn't the one that has the clear window with your refund check showing through.

As you stare at the envelope, your heart starts to race, you break out in a sweat, and you start to pray (even if you aren't religious) that it's not bad news. You open the letter and it's a notice that the IRS is either questioning items on your tax return, or you're going to be audited. Worse yet, you find out someone stole your identity, filed a tax return in your name, and collected a fraudulent refund!

You might be wondering why you received this notice in the first place since you have a CPA, EA, Attorney, or other Tax Professional preparing your tax return. Here's the truth — even if you have a professional preparing your tax return, your tax return is subject to being reviewed for a variety of reasons, one of them being you were selected at random.

In 2021, the IRS has sent out over 9,000,000 "math error" notices relating to the Recovery Rebate Credits and Stimulus checks regarding the American Rescue Plan. All these notices require a response.

In 2022, it's estimated that the IRS will send out 15,000,000 notices regarding in the Advanced Child Tax Credit Payments and Earned Income Tax Credit. All these notices will require a response as well.

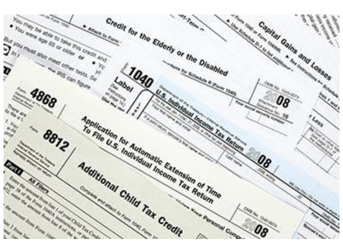
While we make every effort to prepare your tax return as completely and accurately as possible, often times there are missing items (such as 1099's), and amounts of stimulus money or child tax credit payments we were not informed of at the time the return was prepared, which will draw the scrutiny of the IRS. Even people who have professionals prepare their returns are audited, or receive notices, and can benefit from our Client Care Package, which includes notice response and more.

The fact is the letter the IRS sent you is ***claiming*** you owe them money, or ***claiming*** you didn't report something properly, or ***claiming*** your refund is going to get reduced, or ***claiming*** something you reported shouldn't have been reported. **It's not a fact.** They want to talk to you and ask you more probing questions. Are you prepared to answer them? What if they say one or even several of your deductions are not allowed to be taken? Are you prepared to tell them otherwise?

Sure, you might think, "I'll just call the phone number on the notice and see what this is all about," but be prepared that you're about to start a very long period of wasted time dialing, being put on hold, and even *being hung up on*. That's right—you can be waiting on the phone for 60 minutes and then they hang up on you! The IRS calls this a *"courtesy" disconnect*. Please explain to me what is courteous about someone hanging up on you? This scenario is the "rule", not the exception.

WHAT IF THE IRS WANTS TO MEET AND ASK A LOT OF QUESTIONS?

Would You Go To Court Without a Lawyer?
Then Why Would You Face The IRS Without Expert Help?



Many times, the IRS wants you to go to their offices. Do you want to go down to the IRS office by yourself, pass through security as tight as an airport terminal, then meet with an IRS agent who will show you their badge that lets you know who's in charge? Then you are brought to a conference room where they proceed to ask you 54 very invasive questions about your affairs that you are expected to answer on the spot. Are you prepared to answer those questions? Do you have any idea what those questions will be?

That is why we provide a client care package for the tax returns we prepare.

On the next pages is a description of our client care package. This is **not** insurance or legal advice. We also do not represent you or provide services if there is fraud or criminal activity involved. There is an IRS account monitoring service if we did not prepare the tax return. It does require a separate agreement and fee.

What is the tax return client care package?
What plans are available?

IRS Account Monitoring (Value $250/year):

- Detects IRS Audits and Exams months in advance in most cases allowing the mitigation of penalties and interest.
- Detects Liens and Levies by the IRS on your account normally prior to receiving a notice.
- Identifies First Time Abatement opportunities which can result in additional refunds or offset of taxes owed.
- Annual review of the current and previous three years of taxes for refund opportunities.
- Audit risk assessment for the current tax returns.
- Annual income verification (May – Oct).
- Track IRS payments including estimated payments.
- Provides a comprehensive Tax Analysis Report once a year.

Notice/Correspondence Response[1, 2] (Value $350 and up):

- Develop a strategy for responding the notice (See list of notices covered).
- Prepare for your signature a response to notice/correspondence requesting information about the tax return we prepared.
- Inform you of strategies and procedural options if additional tax is assessed.

IRS Tax Identity Fraud Remediation (Value $350 and up):

- If you receive IRS written communication indicating that the IRS cannot process your income tax return because one has already been filed in your name, we will work with you to resolve the issue (time is limited to 5 hours).

Up to 4 Hour of Phone/Office[3] Consultation at NO Additional Charge (Value $250/hour):

- Ask questions

Priority Phone, Email, and Office[3] Access with 48 hours (2 business days). Same Day if Available:

- Normal response time is 4 business days minimum.

One Free Amended Tax Return (Value $175 and up):

- For current tax year plan enrollment

Dependent(s) Receive Protection (Value $175 and up):

- Must be on the same tax return as parent and sign a separate Form 8821/2848

[1] Limited to non-collection notices (see notice list)
[2] Limited to 5 hours and issues on non-collection notice list
[3] Office Visits are via Zoom or other online (virtual) meeting platform.
* All Levels Require Form 8821 – Tax Information Authorization or Form 2848 – Power of Attorney and Declaration of Representative

Individual (Form 1040) without a business:

Service Level Benefits*	Platinum $125/yr	Best Value Gold $75/yr	Silver $65/yr	Bronze $55/yr
IRS Account Monitoring (Value $250/year)	X	X	Limited[4]	Limited[4]
Notice/Correspondence Response[1, 2] (Value $350 and up)	X	X	X	X
IRS Tax Identity Fraud Remediation (Value $350 and up)	X	X	X	X
Up to 4 Hour of Phone/Office[3] Consultation at NO Additional Charge (Value $250/hour)	X	X		
Priority Phone, Email, and Office[3] Access with 48 hours (2 business days). Same Day if Available	X			
One Free Amended Tax Return (Value $175 and up)	X	X	X	
Dependent(s) Receive Protection (Value $175 and up)	X			

[1] Limited to non-collection notices (see notice list)
[2] Limited to 5 hours and issues on non-collection notice list
[3] Office Visits are via Zoom or other online (virtual) meeting platform.

[4] Check for missing income documents (May – Oct)
* All Levels Require Form 8821 – Tax Information Authorization or Form 2848 – Power of Attorney and Declaration of Representative

Individual/Business (Form 1040) with Schedule C, D, or E:

Service Level Benefits*	Platinum $145/yr	Best Value Gold $95/yr	Silver $85/yr	Bronze $75/yr
IRS Account Monitoring (Value $350/year)	X	X	Limited[4]	Limited[4]
Notice/Correspondence Response[1, 2] (Value $575 and up)	X	X	X	X
IRS Tax Identity Fraud Remediation (Value $575 and up)	X	X	X	X
Up to 4 Hour of Phone/Office[3] Consultation at NO Additional Charge (Value $250/hour)	X	X		
Priority Phone, Email, and Office[3] Access with 48 hours (2 business days). Same Day if Available	X			
One Free Amended Tax Return (Value $300 and up)	X	X	X	
Dependent(s) Receive Protection (Value $175 and up)	X			

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Terms of Service

The Client Care Package will provide services listed below for your **1040** income tax return.

What Certain Terms Mean

"Audit" means (for this purpose) any IRS or State formal review, examination, or investigation of the information on your Form 1040 income tax return.

"Notice" is any IRS or State communication, whether written, telephonic or electronic questioning an item on your return. See list of covered notices.

“Tax Identity Theft” is any IRS written communication indicating that the IRS cannot process your income tax return because one has already been filed in your name, unbeknownst to you.

Acceptance Date: the date from which your Client Care Package and Audit Protection Plan goes into effect.

Statute of Limitations is the term describing the period of time during which the IRS or State can audit or collect on your income tax return; for the IRS assessment and audits is generally three years from the date of filing or the due date (typically four years for States), whichever is later. There is a ten year statute on collection not counting any events that would extend that date.

The **Period of Coverage** begins on the Acceptance Date and ends with the expiration of the normal Statute of Limitations or as indicated in the engagement.

Refund/Rescission Period is the thirty (30) calendar day period commencing on the date of initial purchase during which you may cancel your Plan for a refund of the plan purchase price. Thereafter, your plan is irrevocably in force, and has been in force for thirty (30) days, during and after which you are entitled to services described. After the Refund/Rescission Period the amount you paid for the Client Care Package is deemed fully earned by us and is non-refundable. There is no refund of the tax return preparation fee.

Items Needed refers to the information that we need from you to be able to represent you in the event you receive a Notice pursuant to the Plan. Items consists of the IRS or State Notice when received and a completed and signed IRS Form 2848 Power of Attorney and/or IRS Form 8821 Tax Information Authorization and the state equivalent.

CONFIDENTIALITY

As a client of Babitzke and Associates, your name, address, any other personal, or tax information will not be disclosed or sold to any persons or firms. Only our staff will have access to your tax information.

PLAN BENEFITS

I will professionally assist you in the **preparation of a response** to any notice received requesting information about the tax return prepared and filed by us for which you purchased a Client Care Package subject to you fulfilling your responsibilities as set forth below. These notices are commonly called an audit. We will:

a. Develop a strategy with you for responding to the notice;
b. Handle communications, in any form, with the IRS or State regarding your notice;
c. Negotiate with the IRS or State through Appeals for the issue in the notice;
d. Settle with the IRS or State when we have your approval to do so;
e. Inform you as to your strategies and procedural options if it results in additional tax.

Additional fees shall apply if you want us to represent you in any post-assessment ("collection") matters.

CLIENT CARE PACKAGE LIMITATIONS

Your purchase of the Client Care Package which includes a notice assistance plan for the current tax filing period must be made before the date of any IRS or State Notice, specifically; the Notice must be dated after you've purchased the Client Care Package.

- We do not provide legal assistance, nor represent you in Federal or State Court, or Tax Court.
- We do not provide legal assistance in defending issues of civil or criminal fraud.
- We do not provide representation in an audit. You will be referred to an affiliate that will be able to represent you. Additional engagements and fees will apply.
- We will not reconcile checkbooks, organize records, or do record keeping or bookkeeping.
- We will waive our hourly billing rates for up to 5 hours of audit notice response. Additional hours will be billed at our regular rate.

CLIENT CARE PACKAGE EXCLUSIONS

Certain Audits, income tax return filings and associated issues of audit will be excluded from the Client Care Package:

- **Pre-existing conditions** — If the date on the Notice is prior to the Date you signed up for coverage.
- **Large Businesses** — Business entities with gross receipts exceeding $5 million and/or 10 partners/stockholders/beneficiaries/members.
- **Ownership interest in other tax entities** - If You have an ownership interest in a Corporation, Partnership, LLC, LLP, Trust, Estate, or Tax Shelter that has been contacted for an audit and that entity is not a Plan Member.
- **Tax protestors** –This excludes from the benefits of Membership anyone protesting the taxing of income on economic, religious, legal or constitutional grounds, or other frivolous claims.
- **IRS Criminal Investigation (CI)** – This excludes from the benefits of Membership anyone currently under investigation by IRS CI. We will cease performing services on any IRS action joined by CI, and will exclude from the benefits of Membership any related audit or member until completion of the CI involvement.
- **Taxes Other Than Income Tax** - Your Client Care Package is limited to the type of income tax return that you signed up for. Payroll tax, sales tax, property tax, gross receipts tax, duty and local tax, excise, estate and gift tax and compliance audits of pension and profit-sharing plans are excluded from the package.
- **Collection Due Notices** — These are generated by the IRS or the State after you've been assessed taxes as a result of an audit or filing your income tax return without paying the balance due in full with the return. Collection or demand for payment notices are not covered under the plan and will involve a separate engagement agreement and a separate fee to resolve.

TERMINATIONS OF THE CLIENT CARE PACKAGE AGREEMENT

We reserve the right to terminate this plan upon the breach of any material provision of this agreement by the client, in the event that an audit, tax return, tax identity theft matter or issue of audit meets the criteria of any of the CLIENT CARE PACKAGE LIMITATIONS and/or CLIENT CARE PACKAGE EXCLUSIONS listed above, or in the event that a condition renders the completion of our responsibilities under this agreement unreasonably difficult to fulfill. Conditions that can render completion of our responsibilities unreasonably difficult include, but are not limited to, your failure to reasonably fulfill your responsibilities per above, failure to cooperate during the course of the process, or repeated use of abusive, inappropriate, or unprofessional language when communicating with us or tax agency. This plan shall also be deemed to be terminated if the fee has not been paid or has been refunded to the client.

RIGHT of RESCISSION (REFUND POLICY)

You have the right to rescind your Client Care Package Plan per the Refund/Rescission Period information above. Thereafter, Your Package/Plan fee is non-refundable. Tax return preparation fees are not refundable.

IRS Response Letters

These are the notices and letters that are included in the client care service package.

CP09 - Eligible for EIC but didn't claim it

CP10 - IRS made changes/claim of miscalculation

CP11 - Taxpayer owes money due to miscalculation

CP12C - IRS needs more information

CP12 - IRS made changes to client's tax return

CP16 - IRS claims taxpayer owes other debts and their refund is affected

CP19 - Taxpayer owes money due to incorrect deductions or credits

CP20 - Taxpayer's refund is less due to incorrect deductions or credits

CP23 - Taxpayer has a balance due because of a difference in estimated tax payments claimed

CP24 - Taxpayer has an overpayment due to amount of estimated tax payments and amount posted to their account

CP25 - Taxpayer has changes to their return due to estimated payments and is not due a refund

CP30 - IRS is charging a penalty for not making timely estimated payments

CP59 - IRS has no record of the taxpayer filing a prior personal tax return

CP63 - IRS is holding refund because taxpayer has not file one or more returns

CP79 - IRS denies all or part of EIC

CP134B - IRS has determined a balance due because of a discrepancy of federal tax deposits claimed

CP180/181 - IRS claims taxpayer is missing schedule or form

CP267 - IRS determined an overpayment due to difference between federal tax deposits or estimated payments claimed

[1]**CP2000 -** Proposed changes to tax return

[1]**CP2501/2531 -** Need to contact IRS — They have information not reported on the tax return

CP3219A - IRS received information that is different than reported on tax return

[2]**LTR 566 -** Audit — Additional information needed

LTR 566CG - IRS need more information. They may have an incomplete form or wrong documents

LTR 239 - Victim of Identity Theft

CP 474 - Changes to client's tax return

CP 474C - IRS informs taxpayer of changes to their return

LTR 531T - IRS sends this letter if they feel the taxpayer owes additional tax

LTR 692 - Notice with proposed adjustments to tax return

LTR 4364C - IRS has made corrections to amended return

LTR 4464 - IRS is holding refund

Notice 797 - IRS has determined there may be a refund due to the EIC

NOTE: The client care service package does not provide services for any collection actions and/or resolutions.

[1] These notices may result in more in depth investigation and resolution. Additional fees may be required.

[2] Audits require separate engagement and fees. We will assist with determining the level of assistance needed and possible referral to another professional.