2022 Tax Preparation – Our Process and Procedures

Over the last several years, especially due to the Covid-19 pandemic, we were forced to change our tax preparation process and procedures. We continue to implement ways to improve our operations by always considering our client's experience. You are the reason we are in business, and you are the reason we continue to strive for exceptional service. Having said this, and even though Covid-19 is hopefully in the rear-view mirror for all of us, what hasn't changed is the complexities of completing a tax return.

Many of you believe you have a standard tax return, and we have no issues with that viewpoint. However, the simple fact remains that there is no such undertaking of a one-hour tax return; it just doesn't exist anymore and it can't be accomplished when we are completing your return to the highest level of proficiency.

Process

Your returns necessitate our full concentration to work through all required situations that bring about the best results for you. Due to the new norms of tax season, we will no longer prepare a tax return from start to finish during an appointment. The past method of completing returns during an appointment isn't sustainable, and isn't a practical way to drudge through a tax return; it is now an obsolete undertaking for a competent CPA firm because it creates holes in a process that is supposed to be streamlined for your benefit. To struggle through a tax return in front of you during this most complicated environment only increases our chances of making mistakes, and we won't put ourselves in a position that hurts you, our client.

Please remember that you are working with a leading-edge CPA firm. Our duty is to understand the environment, the tax laws, the rules, and the regulations, and to determine a succinct method to achieve our desired outcomes for you. We are ready to elevate our process this year, and it is our hope that the IRS doesn't make changes during this tax season like they have over the last three tax seasons. The changes really put a kink in our production line and contributed greatly to the backlog.

Client Relationships and Communications

We built this business from the very beginning working in front of you, and because of that we built strong, long- lasting friendships, and business relationships during these appointments. We had wonderful, personal, deep, emotional, and poignant conversations during our time together. These relationships are the backbone of this business and keep it moving forward. We acknowledge it, we respect it, and we appreciate it immensely.

Our client relationships and communication will always be the same as it has been despite new circumstances, and we will continue to find ways to improve on it each day. It is always on our mind and we have a real anxiety about making sure you understand that we are still the same people, and that we are still putting in the same efforts on your return; we are working as hard as we ever did, (although we are all getting a little older, so tax season is a bit more difficult).

Our knowledge has increased substantially and it is second to none in the small business tax arena. What I am most proud of is that you are relying on other members of my team to help aid us with your work. This means that you have confidence in our group, our abilities, and our knowledge. Each

member collaborates with me continuously, and they share my ideologies of what a dynamic firm should be for you.

We are all learning new ways to deal with long-established methods that worked in the past, but are clearly unconventional now due to a more cumbersome tax system. Nevertheless, we understand you need contact through assorted options that will provide comfort and reassurance that we are here doing it correctly for you.

Over the past three years, I have been more behind the scenes in my company: working behind closed doors, reading, writing, researching, ledgering, completing data entry, reviewing, and doing everything possible to provide the highest level of services we can give to you. I used to be the face of the organization, as well as the main tax preparer working in front of you—this is no longer a possibility, and I have been very transparent and have spoken about this several times over the last three to four years.

What are we doing this year?
We are steadfast to get as many returns completed as accurately and competently as possible before the 4/18/23 deadline. This is our primary goal and simple plan for this tax season. We are going back to the basics, and we are building a new foundation to invigorate our relationships with you by using different methods of staying in front of you despite that they might not all be face-to-face appointments.

Relationships are built with trust, confidence, loyalty, honesty, and willingness (both yours and ours) to make and understand that change is inevitable and must be permitted for us to be successful together. This is a team approach and we need your help to expediate and complete your taxes efficiently.

We still have update calls/video meetings, delivery calls/video meetings, and we will have some in-house delivery appointments. Please be mindful that we can't accommodate everyone with an in-house delivery appointment. In addition, please remember the delivery process will be to go over returns that have already been finalized by us.

Update Calls/Video Meetings (Microsoft Teams)
We have been doing update calls/video meetings for several years now, and we have been very transparent that it has taken away from our production log in processing tax returns. We are still doing them, but the time slots will be reserved for new clients, and legacy clients who had significant tax or life event during 2022 that could affect their tax returns.

We would like to recognize that many clients based on our direction (via phone or email) who had significant tax or life events created a narrative on our tax organizer in the notes section, or drafted an email/word document to discuss the changes. They relied upon our expertise to contact them if we needed further information to get through some of the issues discussed in their memo. This was appreciated by us and it worked out extremely well.

Delivery Calls/Video Meetings (Microsoft Teams) or In-House Appointments
Delivery calls/video meetings has also been done for several years now. You can receive your results by phone or email by answering the questionnaire or notating it on the organizer. You are still welcome for a delivery call/video meeting or an in-house appointment (first year back doing this since Covid). Please note – depending on the flow of work, we might push up or push back any of these types of

appointments if they were made in advance. These will be subject to change based on our discretion, which has everything to do with us controlling the outcome… to be explained in the next paragraph.

Controlling the Outcome

It is crucial to the success of us "winning" this tax season for us to control the outcome from the beginning to the end of the process. We laugh internally when we discuss winning as we always reference it in our team meetings (we need to make the playoffs this year and advance to the championship game) as our inside joke.

We can't afford to get knocked out in the first-round, so what does this mean? We built a spreadsheet based on your drop-off, mail-in, or e-mail dates last year. Based on these dates, we are either going to call or email you, or we might do both to ask you if we can receive your tax return information, data and notes (as much of it as possible, even though you might be waiting for a few documents) during a certain week during this tax season.

We expect to be tax ready no later than Monday 2/6/23. Using each Monday during this period of tax season there are ten weeks remaining before the 4/18 due date and they are 2/6, 2/13, 2/20, 2/27, 3/6, 3/13, 3/20, 3/27, 4/3, and 4/10.

Our spreadsheet will be used throughout this tax season as a roadmap to push the desired outcomes for all of us to be successful. It will be flexible, and we expect to interact with you during the process if changes are required. For example, if you agreed to bring in your work on 2/13 and you no longer can until a later date, we will automatically push you back on the spreadsheet to your new date and try to move someone up that became ready. This is extremely important because we only have 10 processing weeks which isn't much time to work on tax returns that have become more complicated with more due diligence.

We can't allow over 50% of our returns to come in between 3/15 and 4/15 as that is an impossible situation to overcome which is why we must control the outcome. Asking for your work during a certain period of time should resemble appointments that were made with me in the past. My legacy clients are aware that I used to have 8-12 appointments per day – Monday through Saturdays which meant we were working on 48-72 returns per week without considering our business returns. This is what we are trying to do at this time by requesting work each week.

Please note, we will not be taking any appointments from 4/10 to 4/18, as we will be in the final nine days of tax season and will be making sure we close strong.

This is our best chance to win this tax season, and our best chance to continue to offer you the highest level and utmost respect with your tax file. We have learned from our experiences and believe this will be our best practice for the 2022 tax season.

Furthermore, we will be contacting many of you early in the tax season because we know you are always on the extension list due to any number of extraneous variables; we would like to file your extensions early in this tax season.

In addition, if you require calculations for your extension work, we do a lot of this work between 4/10 and 4/18, but we would like to get some of it done as soon as possible to close out your extensions. All memos to discuss these processes are on our website.

Receiving your Completed Return

After we communicate your results to you by your required method, we can deliver your return via email, USPS, FedEx, or other carriers – the choice is yours. As in the past, shipping costs will always be added to a return that is not sent normal mail.

If you prefer picking up your return at the office this is also acceptable to us. However, you will have to make an appointment to pick up your return, so that we can control the lobby which impacts waiting times and our production line overall. Usually Saturday is the biggest pickup day, and without knowledge of which clients are showing up and at what times, it creates a line that makes it impossible to be orderly with the signature process. This also takes our production line way out of sync as it becomes an unplanned pickup day as opposed to an actual tax production day. Hence, the necessity of a pick-up appointment.

Remember, you will have already received your results by your required method, so it is very possible an administrative person will be giving you your return for signature. This person will be able to understand the filing instructions, tell you where to sign, and how to pay your taxes, but won't be able to answer additional questions regarding your returns as that should have been done during the delivery process. Our skilled tax people will be working on other required work during scheduled time slots, so our skilled staff will not be available to answer questions on pick-ups. We will be making pick-up appointments every 15 minutes during the pickup slots, and we will ask that you come 5-10 minutes early to keep the process going smoothly.

At this time, and depending on your personal situation which is client specific, we will do our very best job to complete your tax return if all documentation is received no later than March 20,2023. Any tax information received after this date will likely be on extension as in the past. Of course, we will communicate this fact to you.

We will always work diligently to complete as many returns as possible, but we must have a cut-off to help control the outcome. If we have identified you as a client sending your work to us between 3/20 through 4/10 that is because we received your data during that period of time in the past and filed an extension for you.

In closing, our goal is to streamline our processing while simultaneously improving our client communications, expectations, and return processing times. We look forward to working with you again this tax season and giving you the highest level of service which you expect and deserve.

Sincerely,

Dino A. Marnell