



Dear Client,

Tax Returns for 2018

It is hard to believe, but 2018 will soon be coming to an end.

We, the partners and staff at STLA, have spent the last few months developing some changes to improve our efficiency, communication, and most importantly, the services we provide to you, our valued clients and friends.

We are thrilled to finally be sharing our ideas with you. We hope you will be excited to join us while we implement these changes.

Tax Authority Correspondence Inquiry and Identity Theft – Two Threats to the American Taxpayer.

First and foremost, we are announcing the inclusion of “Inquiry Protection” in every business and individual return we prepare. We have always fully stood by our work. When a notice or inquiry (“hate mail”) from the taxing authorities inevitably arrived, we covered the work to resolve the issue as well as any resultant penalties, but only in the unusual case that the notice or inquiry was the result of our error or omission. However, if the notice or inquiry was the result of a routine request for additional information, client error or omission, or agency error, we would bill for resolving the issue at our ordinary billing rates.

While this is typically how the accounting profession has always dealt with additional work following the completion of a tax return engagement, we have found that it creates tension between ourselves and our clients. After receiving a notice, you’re feeling stressed, anxious, and often confused. Receiving a bill for hundreds of dollars from your CPA just when you think everything has been resolved only adds to the anxiety and confusion. We don’t want to create anxiety and confusion. Quite the contrary. Which is why we are rolling out our new “Inquiry Protection” service. What this means is that, regardless of fault, we will always cover the cost of resolving any sort of taxing authority notice or inquiry related to the tax return we prepared.

Not only that, for individuals this coverage *also* includes up to \$2,500 of penalty reimbursement **and** identity theft restoration, providing comprehensive, personalized recovery services if your identity is stolen from *any* source, not just your tax return.

All of this coverage will be *included* in the cost of your current year tax preparation fee, at a rate of just \$95 per year for individuals and \$250 per year for businesses. You may opt out of the coverage, though we strongly discourage you from doing so.



Fixed Fee, Value-Based Professional Services.

Secondly, we have been listening to you, our clients, and hearing that you can't stand the way the accounting profession prices its services. You tell us after the fact invoicing is unfair and unpredictable. Again, tension is created between ourselves and our clients, undermining an important relationship. You tell us you want to know ahead of time what the bill will be and why. We've always wanted to provide this information for our clients, but simply couldn't see how with the individual differences and complexities in each situation.

Still, we felt this was the only right and fair way to move forward. So, we read blogs and books, listened to countless podcasts, watched YouTube videos. We joined online communities and mentoring groups of likeminded professionals. We consulted with top experts in the the field of professional service pricing. And what did we learn? We learned that the traditional model of hourly pricing is not only outdated, but unnecessary. So, we endeavored to develop a new model. A model based on *fixed prices!*

There are a couple of notable benefits to the new system. First, you will either know or can find out what your price will be *before* any work is begun. Second, you will have the option of choosing from three service packages, each with differing levels of benefits, so that you know you are receiving a tax or accounting service that is designed specifically for your individual situation and needs.

We anticipate your fee will be comparable to prior years, with an increase for the "Inquiry Protection" and inflation. You will receive your new fixed price invoice with your tax return as you always have. *If you would like us to generate a custom quote ahead of time so that you can plan and budget, please contact us.*

There are three new packages for you to choose from. First, we are offering a comprehensive package with all the bells and whistles referred to as the **Mesa Premium Services**. Second, we have a full-service annual package we call the **Monument Full Services**. Finally, for those that desire limited basic services, we have the uncomplicated **Bookcliff Essential Services**.

Your options at a glance

To help you identify the best option for you here is a quick overview:

Mesa Premium Services -

This is the best option for ambitious business owners and individuals who want comprehensive support and advice to help them build a truly successful business and tax plan, maximize their income and wealth, and minimize their tax bills.

Monument Full Services -

This option is for those who don't want comprehensive support and help but do nevertheless want more than just tax returns. It includes tax planning advice.

Bookcliff Essential Services -

This option is for those who are happy to miss out on some of the more valuable input from us, and instead only receive the essential elements because they are on a tight budget.

The essential services we will include in your service package are outlined in the attached exhibit.

And remember, if you are a business, these fees are 100% deductible, which means that you will essentially receive a discount off these fees of up to 45%, depending on your tax rate.

Ad hoc advice

The fixed prices quoted above are fully inclusive of access to our entire team for advice on ad-hoc matters. We hope you will feel free to speak to us whenever you need to, without ever having to worry about the cost.

If the issues raised at any of these unlimited free consultations (or anywhere else) require research or analysis *beyond* the consultation, we will give you a fixed price quotation for that extra work *before* any additional work is started.

Only if you agree to and sign an "Extra Work Order" (or EWO) to confirm that you are happy to pay for the extra work - on the mutually acceptable terms set out in the EWO - will we do anything over and above the work specifically listed above. This means that you will NEVER get an unexpected bill.

Other things we will do to help you build a more successful tax plan.

We have attached a brochure that sets out in greater detail what is included within our Bookcliff, Monument and Mesa tax solutions.

If you would like a meeting to discuss these other options in greater detail, please let me know.

Our easy subscription payment solution helps your cash flow.

To make your cash flow easy and to help with budgeting, our various packages are payable monthly in advance by recurring payment.

We have a range of easy payment options to help. These include paying by credit card or automatic withdrawal thereby spreading the payment over the year. You can also elect to have your fees deducted from your refund if you are anticipating one. For fees greater than \$1,000, we can also help you to arrange outside financing. We are offering a discount for those who wish to subscribe to our payment subscription service or to those who pay in advance. Of course, you can continue to pay at the time of service as you have in the past.

Please note that we can only start our work *after* the method of payment has been agreed.

Additional things we can do for you.

As well as everything we are already doing for you, there are several other services we provide that we believe would be of value to you. You will find some of the most popular ones listed on the attached brochure.

If you would like to know more about any of these additional services, please give us a call.

And finally...

To help you prepare we will send our Tax Organizer and Engagement Letter. This Organizer is very important. So important, in fact, that we can't start work until we have received everything on it.

So please tick off the things on the list as you go along and let us know when everything is ready.

Of course, if there is anything in this letter that you want to discuss, please give us a call.

And, once you are happy, please indicate below which of the three packages you want for this year and send a copy of this page back to us by email. You can also complete and sign this form on our website at www.stlagj.com/forms. Just click on "Package Election Form".

If we do not receive a response from you, we will assume you are electing the Monument package.

Thank you, and we look forward to working with you in the coming year!

Sincerely,

The image shows two handwritten signatures in black ink. The first signature on the left is 'Anna Tallman' written in a cursive style. The second signature on the right is 'Stephen A. Lautz' followed by a small mark that looks like 'CMA', also in a cursive style.

Stranger, Tallman & Lautz Accounting

Package Election Form

Business or Individual Name: _____

Type of project (individual or business tax, accounting, payroll): _____

This is the service I feel is best for me

Please check the box for the option you want.

Option 1: Mesa Premium Tax

Option 2: Monument Full Tax

Option 3: Bookcliff Essential Tax

Your signature

Date