



# The Complete Guide to **TAX RESOLUTION AND AUDIT MONITORING PRICING**

How to Set and Quote Fees with Confidence



# Welcome, Tax Pro!

Experts like you provide exceptional service that is defined and elevated by education, training, and experience. What you bring to the table creates a lasting impact on the people you serve. *You change lives.*

You know that you deserve to be appropriately compensated for what you do — but do you struggle to set fees and share rates while communicating the value of what you have to offer? It's a question we are asked continually. You're not alone.

These concerns are challenges for any independent businessperson, not just tax pros. They can be especially difficult for tax professionals whose services are specialized and time-consuming. Many are clear about their ability to do their jobs effectively and efficiently, yet have a hard time answering two critical questions:

- 1. How do I determine the rates for my services?**
- 2. How do I tell prospects what I charge?**

Whether you're just beginning a specialty in the lucrative field of tax resolution or you have years of experience, your colleagues at IRS Solutions® are here to help you earn more income in less time.

We hope this guide helps you develop a successful pricing strategy and provides insight on how to grow your business for success!

## Brought to you by IRS Solutions® – A Tax Pro's Best Friend



**David Stone**  
Founder and CEO

*"Your rates should reflect your extensive skills, years of experience, and investment in top-of-the-line tools that ensure outstanding service."*

– David Stone



**Suzanne Stone**  
Managing Partner

*"You need to realize your value and have the confidence to charge what you're worth, or you will become overwhelmed and burn out."*

– Suzanne Stone



# Setting Prices

## Keep Up with Modern Changes in Accounting

Can you remember the last time you used a calculator to prepare a tax filing – if you ever did? **Business practices change as technology evolves.** The most significant transformation in the tax industry has been the introduction of paperless practices and supporting remote work for many companies and sole proprietors. Comprehensive tax return platforms are in nearly every office, and most tax professionals have switched from a local server to a cloud-based practice. Clients now scan their documents and import data to the tax return automatically. Tax industry careers have evolved dramatically as well and in record time.

So now what?

Maybe you've streamlined your practice and are already accomplishing more in less time at your desk. Maybe you even do it better than ever before, but offering competitive pricing is still an issue. There are accountants in your community who do free audits and Enrolled Agents who offer no-charge collection services. How are you supposed to compete with those rock-bottom prices?

**Here's a thought:** Don't base your prices on what others charge. Base your fees on what you know you're worth, then strategically share those rates with prospective clients.



# The First Conversation

## When to Talk About Rates

The first phase of resolution is a simple win-win conversation. When a prospective client calls, follow this simple 4-step process:

1. Assess the complexity of the case in a brief phone call.
2. Listen to the client's needs.
3. Offer assurances that choosing you is the right choice.
4. Make an appointment to meet in person for 30 to 60 minutes and charge for the consultation accordingly.

If the client retains your services, then their consultation fee becomes part of their retainer. If not, it will cover the initial consultation, and the prospect gets the advice they paid for.

Here are some tips to guide initial meetings to successful outcomes:

- » **Use consultations to establish value.** There is no need to quote your full rates until you meet with a prospective client to understand their specific issues and clearly explain how you can help solve their problems. Give yourself time to create rapport. This will become the foundation of a positive and long-lasting relationship.
- » **Remind the client that every case is unique.** It may take more time and effort to resolve one case over another.





- » **Gather an abundance of information.** You will need a great deal of data to craft a plan that is fair to you and the client. Help the client understand the process for sharing that data (such as the IRS Solutions® client portal) and the measures you will take to keep their information secure.
- » **Encourage honesty.** Your proposal will only be as good as the information you've been provided. If your client hides the truth, this will result in poor solutions, rejected offers, and a protracted process for the client.
- » **Explain that tax resolution can take years.** Tax resolution is an incremental process. Share a timeline with clients.

Once you've established trust and set expectations, the client will be confident in your ability to help them and also eager to move forward. Now, let's talk about fees.

"I enjoy using IRS Solutions® software because it makes light work of helping taxpayers who are sideways with the IRS."

- **Jaclyn McGuinness, CPA at Meuwissen, Flygare, Kadrluk & Associates**

# Quoting Fees

## How to Put a Number on the Table

People dealing with the IRS are under pressure and they want their difficulties to stop. They have likely ignored the issue or tried to resolve it themselves but realized it was beyond their ability. They want to shift the burden off themselves and onto an expert who can help. That's you.

**By the time a prospective client walks into your office, they should be aware there will be a fee involved for your services, and will likely be willing to pay a premium to make their problem disappear.**

Once a client knows what you can do for them, they will want to engage in your services but they will most certainly ask, *"How can I afford to pay you? I am already in debt!"*

You will want to provide a straightforward response, such as:

*"I understand how stressful this is. I have helped many others in your situation and I will help you, too."* (Showing empathy goes a long way)

*"As soon as you sign the engagement letter and the Power of Attorney, I will stand between you and the IRS and I will deal with the IRS on your behalf. I need a retainer of \$xxxx to begin. With that, I can study your records and create a plan to resolve your case."* (Show them you can be the protector - this will elevate trust in you)

*"There will be other charges and those depend on the decisions you make after reviewing the recommendations in my initial action plan."* (Show honesty and that you are in it for them)

Then just wait for them to say yes.

*"IRS Solutions is integral to my firm's operations and profitability."*

**- Chris Goss, The Goss Firm**






## Getting paid Can Clients Afford You?

Clients in tax resolution situations are desperate and need help dealing with extreme financial challenges. You've got to make sure that those issues don't affect you personally. While you can offer a payment plan, remember that good intentions aren't enough to pay the bills. You should charge before you complete each step in the process and insist that payment be made before moving forward.

**Remember: If they aren't paying the IRS, they are not going to pay YOU!**

Never give your time away for free. Your services are backed by training, experience, and professional skill and your time is valuable. If you are a tax preparer, don't assume that an IRS notice is tied to your work. Charge to investigate and resolve the issue.



"The money that I make by using IRS Solutions pays for the software and 10 times over, so I keep my membership, and I love it... It's done most of the work for me and made the process of doing an OIC or any tax resolution service super easy and simple."

**- Antonia Granado, CPA**

## After The Handshake Moving Forward Step by Step

At IRS Solutions® we do more than sell software and support our members. We are tax resolution specialists and still serve clients daily (that's how we know our product works!). Our typical tax resolution case rates are priced between \$5,800 and \$13,300. That said, your practice may have very different needs.

Here's how we handle our fees:

- » We require a minimum \$1,800 retainer to obtain the power of attorney (2848) or Tax Authorization Form (8821) and order transcripts for the client's case. Once a client secures our services, we dig in. We use IRS Solutions® software to secure the client's financial information and calculate the best plan of action. Next, we share the recommended course of action with our clients. Feeling reassured that the process has been initiated and relief is within sight, we often hear from clients that the first payment was worth obtaining peace of mind alone.
- » Next we file an average of three (3) tax returns for the client and always charge more than your standard fee for back year tax returns.
- » Finally, after IRS Solutions® software determines the solutions most likely to be accepted by the IRS, we charge between \$2,500 and \$10,000 to complete and file an Offer in Compromise (OIC), a request for Currently Not Collectible (CNC) status, or an Installment Agreement (IA). We never promise or guarantee the result and only apply sensible recommendations. Our reputation matters and so does yours. We recommend you do the same.





# Ensure Ongoing Financial Health

## Protect Every Client with IRS Monitoring

Every client deserves to have financial peace of mind. You can provide this by monitoring transcript activity through our IRS Advance Notice™ (IAN). Included with every IRS Solutions® membership, IAN works tirelessly in the background, scrutinizing IRS transcripts and alerting you to transcript changes, impending audits, federal tax liens, and installment agreement modifications even before the client becomes aware. Early notifications help you develop a forward-thinking approach when creating resolution strategies. When you offer proactive monitoring, you position yourself as the guardian of your clients' fiscal well-being. IAN will alert you at the earliest hint of any discrepancy and potentially prevent your client from suffering further penalties.

After you resolve the challenges that first brought these clients to your door, you now have an opportunity to ensure they stay in compliance with the IRS. Suggest providing this same monitoring service and generate a passive income, and increase recurring revenue, in your practice. Encourage your clients to sign up for monitoring when they file their annual tax returns, even those who have not had prior issues with the IRS. Position monitoring as a proactive step that individuals and small businesses can take to protect their financial security.

IRS Solutions® provides its members with an IRS Advance Notice™ (IAN) Marketing Toolkit to help market audit monitoring to existing and future clients. The Toolkit provides a library of content, including verbiage, graphics, hashtags and even emojis to help you stand out amongst your competitors.



**Dive Deeper with this Guide:  
The Value of Proactive IRS Monitoring**



# What Should You Charge?

## Typical Fees

Navigating the demands of tax resolution requires more than just expertise; it requires a well-defined pricing strategy that represents your value. As you create your business plan, keep in mind that your skill set in this area is a significant asset that deserves earning appropriate compensation. Use this guide as a tool to realize what your pricing strategy should look like. Once ready, use this information to provide clear and confident communications about your service to prospective clients.

Explore these examples of what our members typically charge for their services. Keep in mind that every case is unique and your charges may be different.

**Disclaimer:** These fees are typical of what is charged across the United States. Figures presented here are illustrative and not endorsed by IRS Solutions®. We recommend you conduct your own research to determine appropriate pricing strategies for your business. IRS Solutions® is not liable for decisions based on this information.

“If you don’t value your time, neither will others. Stop giving away your time and talents. Value what you know and start charging for it.”

– Kim Garst





Service	Suggested Fees	Notes
Introductory consultation 30 to 60 minutes	\$250-\$600	High-level discussion of the client's needs and circumstances
Analyze, research, and develop a resolution plan	\$1,800-\$3,200	<ul style="list-style-type: none"> <li>» Collect 8821/2848</li> <li>» Collect and review client's financial information (433)</li> <li>» Review IRS documentation and pull transcripts</li> <li>» Converse with the IRS as needed</li> <li>» Determine balances due, penalties, and interest</li> <li>» Analyze specific circumstances to determine the best options for resolution</li> <li>» Provide the client with a summary report of findings and strategy</li> </ul>
Research IRS status with Form 8821 (Tax Information Authorization)	\$350 - \$800	
Continued involvement after the case closes	\$350 - \$700/year	Continue to receive communications related to 8821/2848 on file
<b>IRS Advance Notice (IAN)™</b>		
Audit monitoring	\$350-\$700/year	Ongoing audit monitoring and IRS communications on noted activity
<b>Respond to Notices</b>		
Current Client - Simple (no research)	\$250	
Current Client - Complex (2-5 hours)	\$650	
New Client - Simple (no research)	\$500	
New Client Complex (2-5 hours)	\$1,000	
<b>Other</b>		
Penalty Abatement	\$500-\$2,000	
Innocent/Injured Spouse	\$500-\$2,000	
<b>Installment Agreement/Currently Not Collectible</b>		
< \$100,000 Due	\$1,000-\$2,500	
> \$100,000 Due	\$2,500-\$5,500	
<b>Offer in Compromise</b>		
< \$100,000 Due	\$3,500-\$8,500	
> \$100,000 Due	\$6,000-\$10,000	

Service	Suggested Fees	Notes
<b>Emergency Actions - Enforced Collection Activity</b>		
Case Assigned to ACS	\$450	
Case Assigned to Revenue Officer	\$3,500	
Wage and bank levies		
- ACS	\$1,500	
- Revenue Officer	\$2,500	Retainer
In-person visit by IRS	\$4,000	Credit card paid over the phone
Seizure of assets	\$6,000	
Taxpayer advocate	\$1,200	
<b>Back Year Tax Preparation</b>		
Increase your regular tax preparation fee by \$300-\$700 for each back-year return you complete		
<b>Back Year Payroll Tax Returns</b>		
940, 941, and State Equivalent	\$300-\$800	Base this charge on how you are valuing your time. Your fee should be commensurate.
<b>Lien Issues</b>		
Subordination, Discharge	\$2,000	
Withdrawal	\$1,200	
Secure a Copy of the Release	\$500	Clients who don't wish to pay this fee can independently obtain a copy at the county recorder's office.
Urgent Passport Representation	\$2,500	
Trust Fund Recovery Penalty Representation	\$4,000+	
<b>Post-Resolution Services</b>		
Annual Monitoring Fee	\$350-\$700	Continued monitoring of IRS transcript activity

"Having IRS Solutions at my side has increased my representation revenue by over 50% while cutting down the time spent on such projects by almost 30%. Thanks, IRS Solutions! You're the best."

- **Raymond Sawyer, EA**



# We developed IRS Solutions® software to make tax resolution and working with the IRS easy

## Get Step-by-Step Tax Resolution Guidance from IRS Insiders.

Earn More and Work Less When You Turn IRS Risks into Fast, Steady Revenue



### Forms

We update the forms so you don't have to. It's that simple.

- » 433: Collection Information Statements
- » 656: Offer in Compromise - Application
- » 2848: Power of Attorney
- » 8821: Tax Information Authorization
- » 9465: Installment Agreement Request

...plus many more



### Template Response Letters

Save yourself hours with instant access to pre-written letters for both the IRS and your client, all customized with your logo. There are dozens of professionally written responses to choose from, including:

- » First-Time Penalty Abatement
- » Reasonable Cause Penalty Abatement
- » Initial engagement letters
- » Ongoing communication letters

...plus many more

"I am very satisfied with my investment in this software tool. The software helps in understanding the forms and letters needed to properly advocate for your client. It also provides a seamless conduit to the IRS to obtain a client's tax information in a secure manner."

- **Tina Marie Weeks, CPA**



### IRS Notice Responses

Efficiently respond to the IRS on behalf of your clients.

- » CP2000: Information on IRS File Doesn't Match Information on Tax Return
- » CP14: IRS Shows Money Owed on Taxes
- » CP162: IRS Charged S Corp or Partnership Penalty for Failure to File
- » CP11: IRS Made Changes to Return Due to Miscalculation, Client Owes Money



### IRS Transcript Downloads

Several different types of transcripts are at your fingertips.

- » Collection Statute Expiration Dates (CSED), quickly calculated for you
- » Bulk reports show your client where they stand with the IRS over multiple years
- » Easily show clients a complete summary of all transcripts
- » Download account transcripts, tax return transcripts and wage and income transcripts, and more
- » Beautiful reports ready to present to your client and make you look like the pro you are



### Ongoing Education

Get critical IRS updates and tips on how to handle actual cases.

- » Monthly case study webinars
- » Live case assistance during webinars
- » Ongoing training, videos, and eBooks
- » Critical IRS legal updates

**Handle all IRS communications in seconds and make additional revenue while you're doing it. It's that easy.**

**Join our community today!  
Book a Demo**