**Weekly Webinar - #13**

**DICE**

We added a “Finance Tab” in the “Deal” screen. The purpose is so that you know that the client has financed TDN’s fee. In many cases, the result will be that the Client is now 100% paid to TDN. IF needed, you can get an invoice from the client so that their monthly payment can be included on their financial. Please note, not everyone is going to need to include the monthly payment. For instance, if a client is CNC without the payment then why chase around the substantiation for the loan?

Also, be careful with these clients when it comes to cancellation procedures. Let’s just say that the client financed their fee 30 days ago, but have become unresponsive. Send them an M-80, then call the client, and reinforce the urgency of their case, but please wait 90 days before proceeding with cancellation.



**Client Contact**

Tax Season is over!! We are getting way too many calls into the Network Team from clients complaining about having not heard from their representative (you). So please, pick up the phone, call your clients, update them on the status of their case, request documents, follow up with an email, and then set a task for your next contact with them.

**Cancellation Procedures**

**How/When to Cancel a Client for being Unresponsive**

Purpose of this webinar is to make certain that TDN procedures for canceling a case, based on the client being unresponsive, are well understood. Often, we end up reactivating a client only to learn that we were not provided with all the documents needed to complete the client’s case because the Licensed Tax Professional did not make a clear request for all the documents. Or someone will get over-eager and try to cancel a client before they are 100% paid to TDN.

**MAKE CERTAIN THAT FROM THE VERY BEGINNING OF THE CASE YOU ARE CREATING AND MAINTAINING A SENSE OF URGENCY WITH THE CLIENT. THIS WILL REDUCE THE TIME THAT YOU SPEND CHASING DOCUMENTS AND DRAMATICALLY DECREASE THE NUMBER OF CANCELLATIONS.**

First, why would TDN want to require that a client is 100% paid before cancelling the client for being “unresponsive”? Easy Answer: If a client really wants to pay us 100% of the fee, and not have their case completed then we are okay with them doing so. The real answer is that the client is, in a very limited way, communicating with us by making the payments. The client is paying us so they must want their case to be completed. Right?

Second, it is VERY important for you to realize that our cancellation procedure is NOT designed to actually cancel the client. The focus of the TDN Cancellation Procedure is to get the client to respond with the documents/information/deposits that are required so that their case can be completed.

These things being said, here is the entire Cancellation Procedure:

1. Is the client 100% paid to TDN? If yes, then proceed with cancellation procedure.
2. Has the client provided what is required so that their case can be resolved? If no, then procced with cancellation procedure.
3. Review the case very carefully and make a COMPLETE list of all the documents needed so that the client’s case can be completed.
4. Send the client an M-80 letter via email, and call the client to let them know that the M-80 email is on the way. Create some urgency, tell the client that the IRS is going to levy them. Set next task one week out.
5. IF after seven (7) days, you do not have **ALL** of the documents needed, then send the client the “14 Day Letter”. Be sure to edit the letter for any documents that you did receive from the client. Call the client, let them know that we are in the process of cancelling their case, and that they now have 14 days to get all the documents to you. At this point, do NOT let the client negotiate with you for additional time to get the documents you need. Keep the pressure on them. Set next task one week out.
6. IF after seven (7) more days, you do not have **ALL** of the documents needed, then send the client the “7 Day Letter”. Be sure to edit the letter for any documents that you did receive from the client. Call the client, let them know that we are in the process of cancelling their case, and that they now have 7 days to get all the documents to you. At this point, do NOT let the client negotiate with you for additional time to get the documents you need. Keep the pressure on them. Set next task one week out.
7. IF after the final seven (7) days, you still do not have **ALL** of the documents needed, then send an Email to Your.Case@TaxDefenseNetwork.com as follows:
	1. On the subject line, copy the client’s name from DICE to the subject line of the email.
	2. In the body of the email, state the following:
		1. Case Cancelled, M-80 sent on xx/xx/xx, 14 day letter sent on xx/xx/xx, 7 day letter sent on xx/xx/xx – please cancel the client for being unresponsive.
		2. In the notes, make certain that you **CLEARLY** list **ALL** of the documents that you still need so that the client’s case can be resolved. We will take over from here.
		3. If an RO is involved in the case, please send the RO a POA Revocation immediately, and note it in DICE.

So now that you have cancelled the client ---- What happens next?

Answer: TDN will then send the client a certified letter to let the client know that their case has been cancelled, and can only be reactivated if they provide us with ALL of the required documents needed to complete their case. Our “Cancellation Department” will then call and follow up with the client for 90 days in an attempt to get what is needed. Note that very few of these cases actually end up being permanently cancelled. The vast majority of the time the Client will respond, provide what is needed, and then we can reactivate their case for you to complete.

The really good things for you as the Affiliate Partner is that you no longer need to chase the client for documents, and once all the documents are received you can close the case VERY quickly.

A few things to keep in mind when you are going through the cancellation process with a client:

1. Use common sense in your document request. If the document is not absolutely required to complete the case then there is no reason for you to require the document.
2. You can send an M-80 to a client any time – whether the client is 100% paid to TDN or not. Please, any time that you see a client is in collections, send them an M-80 request for documents. Why? Because if we warn a client that they are going to get levied unless they provide what we need, and then they do not get the docs to us and they get levied – guess what – we get to say, “I told you so!”; versus the client saying, “Hey, you never told me this could happen!!”.
3. Do not be “too nice” with clients who say they will get documents to you, but then do not. You should take this as an assault upon your time. Be direct, and honest with the client about the value of your time.

There are two more letters that we use on a regular basis to see if we can get a client to respond with the documents that we need. These can be used before the client is 100% paid to TDN, and unresponsive to repeated attempts at communication or to get documents:

**Letter # 1:**

Dear [Client’s Name],

It is imperative that we receive the requested documents so that we can proceed with your case. By continuing to delay the completion of your tax returns you are incurring additional penalties that we may or may not be able to have abated. What we do know is that the longer you wait the less likely it becomes that the penalties can be abated. Nothing good can come from continuing to delay filing your tax returns. Therefore, I am setting a deadline for the following documents:

1. DEADLINE – [Day, Date] – [document]
2. DEADLINE – [Day, Date] – [document]
3. DEADLINE – [Day, Date] – [document]
4. DEADLINE – [Day, Date] – [document]
5. DEADLINE – [Day, Date] – [document]

If you have any questions about how to complete the requested documents please do not hesitate to give me a call.

Sincerely,

[Your Name]

**Letter # 2**

Dear [Client’s Name]

It is time for you to get very focused on solving your IRS Tax Issues.  To date, we have had your case since [month], and you have yet to send me a single document that I need so that we can work on your case.  [Number of Months] and not a single document from you.  It is imperative that you get this done.  Failure to do so will result in the IRS levying your bank accounts and income.  I have provided you with a list of documents that I need in the order that I need them.  I am giving you deadlines for each document.  Failure to meet these deadlines could result in your case being cancelled because you put us and yourselves in a very difficult position by not doing what it takes to get your case completed.

1. DEADLINE – [Day, Date] – [document]
2. DEADLINE – [Day, Date] – [document]
3. DEADLINE – [Day, Date] – [document]
4. DEADLINE – [Day, Date] – [document]
5. DEADLINE – [Day, Date] – [document]

Sincerely,

[Your Name]

**Tax Preparation Services**

Many times we find that the Affiliate Partner has gone way, way, way above the call of duty for cases that involve tax preparation. If we are contracted to prepare a 1040 that included a Schedule C because the client is self-employed, it does not mean that we are contracted to do the client’s bookkeeping work. Client should complete a Tax Organizer, and provide a Year-End Profit and Loss Statement so that you can prepare the return. The client IS NOT to send you a box of receipts, invoices, and bank statements with the expectation that you will create their P&L. No one here has set that expectation with the client. If you are going to perform bookkeeping services, then you should be paid for the service. Box cases for tax preparation are a re-contracting opportunity, and not an opportunity for you to do a bunch of work for free.

**Tax Cheat of the Week**

**Feds give Dallas teacher 18 months for trying to hide $580,000 in income**

Author: Kevin Krause, The Dallas Morning News

A longtime Dallas schoolteacher was sentenced Monday to 18 months in federal prison for trying to hide more than half a million dollars in income, the U.S. attorney’s office said.

Linda Nell Fantroy [made 111 cash deposits totaling $580,000](http://www.dallasnews.com/news/metro/20150309-feds-say-dallas-isd-teacher-bought-7-homes-with-440000-in-hidden-income.ece) between January 2010 and October 2013, according to federal authorities.

All deposits were less than $10,000 so her bank would not have to report the transactions to federal authorities, court records show. That practice is called structuring and is a federal crime.

Fantroy, 65, used some of that money to buy houses in Dallas, federal agents say. She rented some of the houses to low-income families as part of the federal housing choice voucher program administered by the Dallas Housing Authority.

Fantroy, who remains on leave, pleaded guilty in December to a charge of structuring transactions to evade reporting requirements, court records show. She was ordered to begin serving her sentence on June 6.

Fantroy is a niece of former Dallas City Council member James Fantroy, who died in 2008 at age 71. The council member’s widow is also named Linda.

The IRS took ownership of Fantroy’s seven houses after a federal judge ordered them forfeited in January when Fantroy did not contest the government’s action.

Fantroy earned $73,748 a year as a teacher at Comstock Middle School. She has worked for Dallas ISD since 1978, serving as a principal earlier in her career, according to the district.

She asked to retire in 2005, then changed her mind. But the district would not allow her to rescind her retirement, so she was rehired, records show.

The government said the source of Fantroy’s money is unknown. James Fantroy’s widow told The Dallas Morning News in March 2015 that she didn’t know how her niece could have earned that much money and that she knew nothing about the government’s accusations.

“This is my first time hearing it,” she said then. “It’s new to me. We’re close, but I don’t get in her personal business.”