

## Frequently Asked Questions

### What happens when I receive an audit notice or letter?

As soon as you receive a notice or audit letter from the IRS, give us a call immediately so we can start resolving the matter.

### How long will you defend my return?

We will defend your current year tax return for as long as it can be audited (generally three years).

### Will you offer this plan every year?

Yes. We plan to continue to offer our Audit Protection Plan every year.

### What happens if I don't file on time?

Your Audit Protection Plan covers tax returns that were filed late.

### What happens if I need to file an extension?

Every tax return covered under the Audit Protection Plan, including extensions, will be covered under the plan.

### Is my amended return eligible for protection?

Yes. Amended returns are also covered under your Audit Protection Plan.

### What if I have multiple state returns?

All related state returns are also covered under the Audit Protection Plan.

### What is your guarantee?

You may cancel your Audit Protection Plan for any reason within 30 days of signing up.

### Can I purchase an Audit Protection Plan for any type of tax return?

You can purchase an Audit Protection Plan for the following types of tax returns:

- Form 1040 - Individual
- Form 1120 or 1120S – Corporation
- Form 1065 - Partnership

## Your Peace of Mind Audit Protection Plan Also Includes Tax Identity Fraud Recovery ...

Tax Identity Fraud is on the rise. **In the past two years alone, more than 5,000,000 Americans had their tax identity stolen, and thieves made off with \$5.8 billion that was fraudulently claimed.** So, yes, it happens a lot more than you realize. How are you supposed to prove that you are you?

The Audit Protection Plan will give you *full tax identity recovery and audit representation* protection if you get any notice from the IRS. It will shield you from the time, money, and frustration you will undergo if you try to resolve these issues yourself.

## Your Time Is Valuable. Don't Let The IRS Disrupt Your Life!



**CONTINENTAL**  
TAX & ACCOUNTING SERVICE

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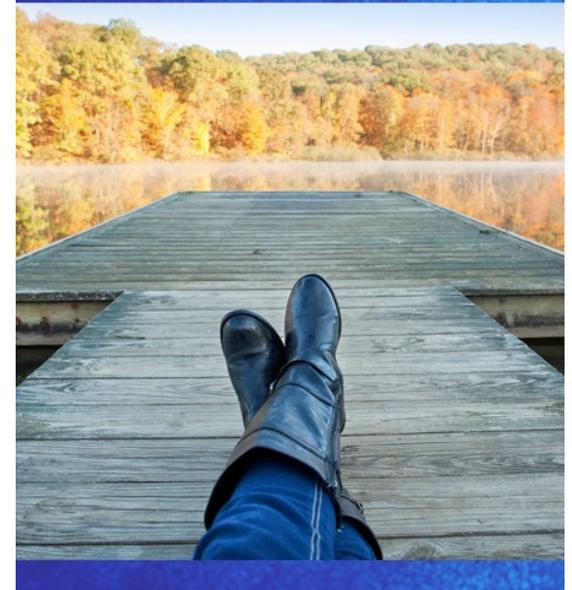
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**Yes, You Can Relax  
During An IRS Audit ...**



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## If You Received A Notice Would You Know What To Do?

You go to your mailbox, pull everything out looking for something more exciting than junk mail, and there it is ... an envelope with the return address “Internal Revenue Service” on it.

Your heart starts to race, and you break out in a sweat. You open it 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 wonder why you received the letter from the IRS in the first place since you have your tax returns prepared by a professional. **The truth is anyone is subject to the scrutiny of the IRS for a variety of reasons.**

Of course, if we do make any error, we will correct the issue and take responsibility for any penalties or actions with the IRS.

## The Audit Protection Plan For One Low Fee ...

With our Audit Protection Plan we’ll protect you from ever having to deal with the tax authorities by yourself in case you get a notice from the IRS. And if you are ever summoned to meet with an IRS agent in person, we’ll attend the meeting with you!

All this happens without any extra charges to you. *Isn’t that a relief?*

## Sure, You Can Roll The Dice And Pass Up This Protection ...

Without our Audit Protection Plan in place, receiving an audit notification will cost you anywhere from \$225 to \$10,000 and up to have a licensed tax professional defend you in an audit.

**Here are the facts:** The IRS sent out more than 9 million automated notices last year. When you receive a letter from the IRS, they will *claim* you owe them money or *claim* you didn’t report something properly, which you will have to defend, because with the IRS you are guilty until proven innocent. They have the power to levy your bank accounts and garnish your wages without a court order!



## The Audit Protection Plan Will Save You Time And Money ...

For a small fee that’s added to your tax preparation invoice, we’ll shield and protect you from ever having to deal with the tax authorities by yourself in the event you get a notice from the IRS or state tax authorities. And if you ever have to meet with an agent in person, we’ll attend the meeting with you.

You have the option to “opt out” of the plan if you choose; otherwise, you can agree to the protection by paying the fee. But if you choose to “opt out” of the Audit Protection Plan, you will be charged our usual hourly rates to handle any notices you receive from the IRS or State taxing authorities.



Member Benefits	Best Value		
	Gold Membership \$129.00/Yr.	Silver Membership \$79.00/Yr.	Basic Membership \$59.00/Yr.
Correspondence Response (\$225 Value)	✓	✓	✓
Individual IRS & State “Worry-Free” Audit Representation (\$3,500 to \$10,000 Value)	✓	✓	
Tax Identity Fraud Remediation	✓	✓	
Up to 1 Hour of Non-Covered Matters at NO Additional Charge (\$225 Value)	✓		
Four 15-Minute Phone Calls, and 4 Office Visits (\$600 Value)	✓		
Priority Phone, Email, and Office Access (Calls and emails returned within 24 hours)	✓		
Office Visits Scheduled Within the Same Week if Available	✓		



# CONTINENTAL TAX & ACCOUNTING SERVICE

## **Audit Protection Plan Client Disclosure Agreement Form**

The IRS sent out over **9 million automated notices last year to unsuspecting taxpayers** leveraging technology instead of relying on their own work force. A majority of these notices were downright incorrect and cost taxpayers millions of dollars to defend and prove their “innocence.” Your chances of receiving one of these notices questioning items on your return, or stating that you’re being audited or informing you that your tax identity was stolen is increasing every year.

It can cost anywhere from \$225 to \$500 and up just to respond to an uncomplicated IRS/State computer generated notice. Defending an actual audit or having your tax ID stolen can mean real financial stress to your life. Audit representation fees alone can range from \$3,500-\$10,000 and up. In order to safeguard you from incurring any of these unforeseen expenses, we’ve created our **Audit Protection Plan**. For just a small fee, you can rest assured we’ve got you covered under one of our Plans below:

- Basic Plan - \$59.00/yr. (\$225 value)**
  - ✓ We’ll respond to written notices from the IRS, State, or local tax authorities.
  
- Silver Plan - \$79.00/yr. (\$3,725 value)**
  - Includes everything in Basic Plan, PLUS:**
  - ✓ \*\*We’ll represent and defend you in case of an IRS or State Tax Income Tax Audit.
  - ✓ We’ll restore your tax account due to Tax Identity Theft.
  
- Gold Plan - \$129.00/yr. (Best Value!) (\$4,550+ value)**
  - Includes everything in Silver Plan, (\$3,725 value), PLUS:**
  - ✓ One hour of additional consultation services at no additional charge. (\$225 value)
  - ✓ We’ll provide copies of your tax returns upon your request at no charge.
  - ✓ Four 15 minute phone calls and four office visits. (\$600 value);
  - ✓ Priority phone, email (returned within 24 hours) and office access;
  - ✓ Office visits scheduled within the same week if available.
  - ✓ Access to individual secure client portal.

\*\*We’ll waive our hourly Audit fee for up to 20 hours of audit representation. Additional hours will be billed at our regular rate of \$150/hour (Value = Regular fee: \$1,500 retainer + \$150/hour).

This protection becomes effective upon the filing of your 2017 (Form 1040, 1120, 1120S, or 1065) and generally lasts for 3 years from the date your return was filed.

(Opt-OUT)  By checking here, I indicate my choice *not* to participate in the **Audit Protection Plan**. I understand that I will be subject to additional charges at **\$150 per hour (minimum \$150.00)** if my return is selected for audit, or if I receive notices from a taxing authority questioning items on my return, or if my tax identity is stolen or if I need additional services not included with the preparation of my tax return.

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Client Signature

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Date

# CONTINENTAL TAX AND ACCOUNTING

## Audit Protection Plan - Terms of Service

The **CONTINENTAL TAX AND ACCOUNTING** Audit Protection Plan will provide audit defense services listed below for your 2017 1040 income tax return.

### What Certain Terms Mean

"**Audit**" means any IRS or State review, examination, investigation or verification of the information on your 2017 1040 income tax return.

"**Notice**" is any IRS or State communication, whether written, telephonic or electronic, indicating that one of the income tax authorities is questioning an item on your return.

"**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, your spouse's name, or a dependent's name without your knowledge.

**Acceptance Date:** the date from which your 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 Your 2017 income tax return; for the IRS this is generally three years from the date of filing or the due date (typically four years for States), whichever is later.

The **Period of Coverage** begins on the Acceptance Date and ends with the expiration of the normal Statute of Limitations.

**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 your 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 audit protection services. After the Refund/Rescission Period the amount you paid for your Audit Protection Plan is deemed fully earned by us and is non-refundable.

**Items Needed** refers to the information that we need from you to be able to represent you in the event you receive a Notice and consists of: i) the IRS or State Notice; ii) a completed and signed IRS Form 2848 Power of Attorney and/or IRS Form 8821 Tax Information Authorization.

### CONFIDENTIALITY

As an Audit Protection Plan purchaser, your name, address, and any other personal information will not be disclosed or sold to any persons or firms. Only our technical staff will have access to your tax information.

## CONTINENTAL TAX AND ACCOUNTING AUDIT PROTECTION PLAN BENEFITS

Our Accountants, Annual Filing Season Program (AFSP) practitioners will professionally represent you in an audit of your 2017 1040 income tax return filed for which you purchased an Audit Protection Plan, subject to you fulfilling your responsibilities as set forth below and the Audit Protection Plan Limitations and Exclusions described below. We will:

- a. Assign a licensed team member to manage your case;
- b. Develop a strategy with you for responding to the Audit or Notice;
- c. Handle all communications, in any form, with the IRS or State regarding Your Audit or Notice;
- d. Negotiate with the IRS or State through Appeals;
- e. Settle with the IRS or State when we have your approval to do so;
- f. Inform you as to your strategies and procedural options if your Audit results in additional tax, and you do not have the resources to pay the obligation when due.

## CONTINENTAL TAX AND ACCOUNTING AUDIT PROTECTION PLAN LIMITATIONS

Your purchase of an Audit Protection 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 Audit Protection Plan.

- 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 will not reconcile checkbooks, organize records or do record keeping or bookkeeping, unless already engaged to do so under another agreement.
- We will waive our hourly billing rates for up to 20 hours of audit representation. Additional hours will be billed at our regular rate of \$150.00 per hour.

## CONTINENTAL TAX AND ACCOUNTING AUDIT PROTECTION PLAN EXCLUSIONS

Certain Audits, income tax return filings and associated issues of Audit will be excluded from the Audit Protection Plan:

- **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 \$1 million and/or 5 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 an Audit Protection Plan Member.
- **Tax protestors** –The Audit Protection Plan 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)** – The Audit Protection Plan excludes from the benefits of Membership anyone currently under investigation by IRS CI. We will cease performing audit protection services on any Audit joined by CI, and will exclude from the benefits of Membership any related Audit or Member until completion of the CI. We will resume providing audit protection services on the Audit, if possible.

- **Taxes Other Than Income Tax** - Your Audit Protection Plan 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, estate and gift tax and compliance audits of pension and profit sharing plans are excluded from the Audit Protection Plan package.
- **Fraudulently claiming a child** - as a dependent by misrepresenting your relationship, living arrangements, amount of support, or custodial status of the child.
- **Material Omission of Income** – known to exist by the client but withheld from our accountants during the process of preparing the income tax return.

#### **TERMINATIONS OF THE CONTINENTAL TAX AND ACCOUNTING AUDIT PROTECTION PLAN 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 **CONTINENTAL TAX AND ACCOUNTING AUDIT PROTECTION PLAN LIMITATIONS** and/or **CONTINENTAL TAX AND ACCOUNTING AUDIT PROTECTION PLAN 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 Audit process, or repeated use of abusive, inappropriate, or unprofessional language when communicating with us. This Plan shall also be deemed to be terminated if the Audit Protection Plan fee has not been paid or has been refunded to the client.

#### **RIGHT of RESCISSION (REFUND POLICY)**

You have the right to rescind your Audit Protection Plan for the Refund/Rescission Period. Thereafter, Your Plan fee is non-refundable.