

Non-Filers

The Step-by-Step Approach to Resolving

Eric L. Green, Esq.

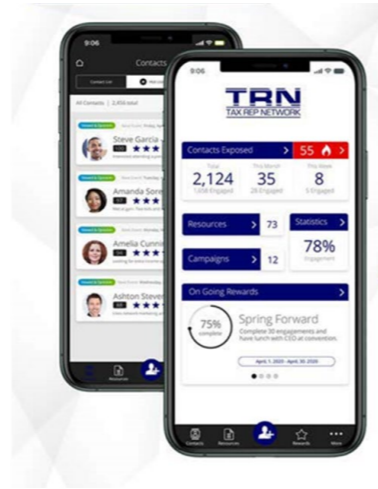
TRN
TAX REP NETWORK

Eric Green, Esq.

- ▶ Managing partner in Green & Sklarz LLC, a boutique tax firm with offices in Connecticut and New York.
- ▶ Focus is civil and criminal taxpayer representation before the Department of Justice Tax Division, Internal Revenue Service and state Departments of Revenue Services.
- ▶ Eric is a contributing columnist for Bloomberg Tax and has served as a columnist for CCH's Journal of Practice & Procedure.
- ▶ Attorney Green is the past Chair of the Executive Committee of the Connecticut Bar Association's Tax Section.
- ▶ Eric is a Fellow of the American College of Tax Counsel ("ACTC").



Eric Green, Esq.



- Eric is the host of the weekly Tax Rep Network Podcast
- Eric is the founder of Tax Rep Network, an online community designed to help tax professionals build their IRS Representation Practice
- He is the author of the Accountant's Guides in IRS Representation
- Partnered with UConn and creator of the IRS Representation Certificate Program
- Creator of the Tax Rep App

Before we get started....



- ▶ 4 Attendance pop-up attendance checks
- ▶ Please do the checks
- ▶ Look for a link for your certificate
- ▶ Issues? Email us at team@taxrepllc.com

Sponsors



Join us Tuesday 8/27

Penalty Abatement Master Class: How to Draft a Winning Abatement Request

- ▶ 1pm – 3pm EST: 1.5 hours of lecture, and then live video Q&A
- ▶ Limited to 100 attendees
- ▶ \$299
- ▶ The cases reviewed will include: (1) First-Time Abatement Opportunities, (2) Reasonable Cause for a Bad Prior Tax Pro, (3) Reasonable Cause for Medical Issues, (4) Reasonable Cause for a Missed Information Return Form 5500, and (5) Reasonable Cause for Missed W-2/W-3 Form
- ▶ <https://taxrepllc.com/20240827-penalty/>

Non-Filer Cases

- ▶ Average fees > \$17,000
- ▶ Why?
- ▶ Back accounting work
- ▶ Back returns
- ▶ Resolve federal tax issue
- ▶ Resolve back state issue

Non-Filers need to into compliance

- ▶ All Returns due are filed
 - ~ IRS limits it to the last 6 years: IRM 1.2.1.6.18
 - ~ States don't have the same rule, so look at their voluntary disclosure rules
- ▶ Current tax payments are being made
 - ~ Employees have enough withholding done
 - ~ Business has made this current quarter's payroll tax deposits
 - ~ Self-Employed have made this year's estimated tax payments

But..

- ▶ What if there are SFRs on prior years?
- ▶ What if my client has losses in the prior years?
- ▶ Should I pursue penalty abatement?
- ▶ MFS or MFJ?

- ▶ We don't need to file, but do we want to?
- ▶ Depends, what resolution are we pursuing, and can we reduce the liability?
 - ~ If we are going to be in a full-pay situation, we want to reduce the liability as much as possible
 - ~ If we are compromising, why waste time doing prior returns, correcting SFRs, and seeking penalty abatement
- ▶ We don't want to reduce the liability from an OIC into a full-pay situation!

MFS v MFJ

- ▶ If it's a full-pay situation, which way reduces the liability most?
- ▶ If not a full-pay, need to do the RCP analysis
- ▶ NOTE: If it's a divorce situation, be wary of recommending a joint return that could create a joint liability



Our Templates in Financial Cents

Non-Filer Cases Template

+ Tags ▾

List Client Tasks Files

▼ Team Tasks

⚡ Automations

Client Consultation

Admin ▾

Send pay link for consult fee

Admin ▾

Send link to SmartVault to upload any documents

Admin ▾

Obtain signed 2848 from client

Admin ▾

Submit 2848 to IRS CAF Unit

Admin ▾

Pull Account Transcripts and Wage & Income Reports from the IRS

Admin ▾

Identify Unfiled Tax Returns within last 6 years

Preparer ▾

Identify Any Substitute for returns Filed by the IRS

Preparer ▾

Confirm if Client has Criminal Exposure and should consider Voluntary Disclosure with the IRS (If Yes Open an IRS Voluntary Disclosure Matter)

Reviewer ▾

Our Templates in Financial Cents

Identify Returns Needed for Voluntary Disclosure for the State	Reviewer 
Obtain Client Documents for Tax Return Preparation	Preparer 
Prepare Missing Tax Returns	Preparer 
Request Voluntary Disclosure for State	Preparer 
File State Returns/Information	Preparer 
File Federal Returns	Preparer 
When Balance Due Notices arrive, start IRS /State Collection Matter	Preparer 

Pricing

- ▶ 4 years of accounting/bookkeeping: $\$175/\text{month} \times 48 \text{ months} = \$8,400$
- ▶ 4 years of 1040s: $\$500 \times 4 \text{ years} = \$2,000$
- ▶ \$5,000 retainer for IRS issue
- ▶ \$1,500 state issue

Pricing

- ▶ \$5,000 retainer for accounting
- ▶ \$5,000 for balance of accounting and deposit on returns
- ▶ \$5,000 for balance on returns and deposit on IRS work
- ▶ \$2,750 balance due before filing with IRS



Would you – knowing you can get the Tax Rep templates - like to book a demo with Financial Cents?

Questions?

Eric – eric@taxrepllc.com

Financial Cents: <https://financial-cents.com/>

Non-Filer Template:

<https://app.financial-cents.com/shared-template/116>