

# FAQ - Fees

## Q: Is my tax return preparation fee estimate a fixed fee?

**A:** We can't promise an absolute 'fixed fee' for any tax return. The complexities, quality of information and number of auxiliary forms tend to change year on year. What we strive to ensure however is that your tax return preparation fees do not come as a surprise. We will provide an indicative fee quote at the beginning of the tax season. This is based on our understanding of your affairs for the current year and historical tax return preparation.

On receipt of your tax information, if we can see that we need to increase our fee, we will inform you and explain why. This may be due to a specific issue we need to resolve, new income sources or because we identify a planning opportunity.

One of the biggest compliance headaches for US persons overseas is the never-ending disclosure forms for foreign accounts, assets, companies and trusts. It can be difficult to predict what is required before we get into the detail. Some of these will have a 'per form' pricing that we set out in our engagement letter or other correspondence. Others will be new or bespoke. Again, we aim to inform you and explain why.

In rare cases, if we are facing an immediate deadline and simply need to 'get work done', we reserve the right to bill our time spent.

## Q: How can I keep costs down?

**A:** Tax information that is provided in a clear, timely and complete manner.

This includes providing information in a workable format to enable any tax workings.

For example, a client with a large number of capital gains that need to be translated from multiple transactions taken from investment reports. If your

investment advisor can provide US capital gains tax reports, and/or in a spreadsheet format, this should substantially reduce the risk of us needing to communicate additional fees.

For most other items, it is helpful for us to work from official tax statements, like P60s, W-2s and 1099s than notes and summaries.

## Q: What if I do not get my information to you by the date requested?

**A:** You will typically work with your client team at Blick Rothenberg. This allows us to ensure that work is undertaken by staff working at an appropriate level so that we can manage costs for you and ensure sufficient review processes. Typically, we have less experienced staff dealing with the initial analysis and form filling.

Where your information is received after the date requested, we may need to allocate work to more senior staff to meet tax deadlines. This may be due to the lack of availability of junior staff, or so that we can manage risk where we are given a limited period of time to prepare your filings. Where this happens, this increases the cost of your tax return.

## Q: Is work in respect of my US estimated payments and/or UK payments on account included with the tax return quote?

**A:** Both the US and UK tax systems have automatic requirements for estimated tax payments/payments on account which are based on the prior year tax liability which will be communicated to you for no additional cost.

You can choose to reduce these payments and, should you require us to assist with the calculations associated with this, we will charge you for our additional time.

If you need to make a US tax payment on April 15 or June 15 to accompany a request for an extension of time to file, we will invoice you for the time required in running this estimate to the extent these calculations result in a duplication of work. If you don't need to make a US tax payment, but still require an extension we will charge a fee of £175 + VAT.

If you require an extension of time beyond October 15th, which requires a letter request to the IRS, we will charge a fee of £175 + VAT.

### Q: Are queries related to my tax return covered in the quote provided?

**A:** This is a really challenging point to manage and we aim to ensure that we are reasonable in our approach at all times. It is important that you understand your tax return before you file it and, clearly, we must allow in our fee time spent in assisting you with your review.

However, there are some occasions where we also need to ask our clients to apply the same test of 'reasonable' in respect of additional costs. For example, where a granular 'line by line' review of multiple entries on the tax return is requested, or where we enter into a technical strategic review of any position taken on a tax return.

### Q: Are queries not related to my tax return covered in the quote provided?

**A:** First and foremost, we never want our clients to feel they are unable to contact us to update us on developments or plans which they think may impact their tax position for fear of incurring additional costs. We will not invoice you for informal phone calls or email exchanges where you are providing us with that information.

If we provide advice which you can rely on, as I am sure you will appreciate, we will issue an invoice in respect of our time spent. Where we are required to undertake additional research and analysis, we will agree the scope of that advice and provide a fee estimate where possible.

Where we are able to provide immediate advice which is of value, our time will be chargeable.

### Q: What happens if I get a notice, audit, or enquiry letter?

**A:** Getting a notice is frustrating enough, but it is even more frustrating when dealing with it incurs time and professional fees, not least when the tax authorities have made an error or processed something incorrectly. However, our time responding to such notices is chargeable and separate from any tax return preparation cost.

Enquiry and audit processes can be volatile and unpredictable. Some enquiries can be resolved relatively quickly, while others will require an in-depth response and detailed calculations. The scope of work required can be difficult, if not impossible, to judge at the outset. We will always act in your best interests and are aware of our fees against the relative tax exposure.

For UK enquiries we offer a Tax Investigations Fee Protection Service which covers the cost of time spent dealing with enquiries; more detail on this can be found via the below link, which we would encourage you to consider.

<https://www.blickrothenberg.com/insights/topics/are-your-professional-fees-covered-in-the-event-of-an-hmrc-tax-investigation/>

We are currently unable to offer a similar service for IRS or US State audits.