

Steven L. Jager, C.P.A.

An Accountancy Corporation • Admitted to Practice in the United States Tax Court

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m e m o r a n d u m

To:	All Clients with Tax Controversy Matters
From:	Steven L. Jager, CPA, MST
Date:	April 2017 & Subsequent
Subject:	Disclaimer and Acknowledgment Regarding Representation Before Taxing Authorities

This memorandum addresses those instances in which my advice, counsel and/or assistance is requested in dealing with one or more of the Federal or State Taxing Authorities [i.e., Internal Revenue Service, Franchise Tax Board, Employment Development Department, State Board of Equalization, et al].

Upon such request, you will be asked to execute the appropriate Power of Attorney document, granting me the authority to represent you and act on your behalf. Naturally, you agree to do so.

While I endeavor to vigorously represent your best interests, frankly, however, “success” in these matters may be difficult to measure. Accordingly, I wish to set forth the following:

- i. You as the client acknowledge that I have made NO GUARANTEES or warranties of any kind regarding vulnerability to any audit, successful termination of any audit, audit reconsideration or conferences (including Appeals Conferences). You further acknowledge that I have made no guarantees or warranties of any kind regarding negotiations of installment payment arrangements, compromises of tax liabilities or the terms of any collateral agreements. I have made no representations regarding the seizure of any realty or personal property. I have made no representations as to the imposition or release of any jeopardy or termination assessments. I have made no guarantees regarding the filing of any tax liens. **All expressions relative to the foregoing are matters of my professional opinion only.**
- ii. In the event an Offer-In-Compromise is made in order to compromise any tax liability, you acknowledge that the IRS and/or the FTB may require a Collateral Agreement. This is an additional agreement calling for additional payments based upon increasing percentages of income over a several-year period.
- iii. In the event your case is being processed by the Automated Collection Service (ACS) of the IRS, you acknowledge that I have made no representation whatsoever of my ability to transfer the case from ACS to the appropriate field office of the IRS assigned to administer your case. Further, you acknowledge that I have informed you that ACS has the authority to enforce collection by levy and distraint virtually without warning.
- iv. You acknowledge that I have made no representations that my services will result in relieving you of any liability for any taxes, interest and penalties whatsoever.
- v. You further acknowledge the requirements that financial statements and/or financial disclosures may have to be submitted to negotiate any payment arrangement. You agree to supply information and make all financial disclosures to me as and when requested.

- vi. Finally, it is important to understand the difference between client *confidentiality* vs. *privilege*. Each professional relationship is confidential, meaning that your information will be kept private and not disclosed to any other third parties without your express advance permission. This is VERY different from *privilege*, which between a CPA and his client, may only be quite illusory. **Please do not assume that any statement made to me as your CPA will be privileged.** If there are “sensitive issues” that might require the protection afforded by privilege, then I should be retained by your own attorney who appoints me as his/her agent¹ PRIOR to making any statements or disclosing sensitive information. In this way, our communications become an extension of the Attorney’s “workproduct” and are more likely to be protected. **When in doubt, please ask!**

With respect to professional fees for these services, all billing policies and practices are fully described in the Memorandum entitled: “Billing Polices, Practices and Procedures,” which you acknowledge receiving a copy of, and you affirm your acceptance of these policies and dispute resolution by mediation.

Although I am licensed by the United States Tax Court to represent clients in tax matters in the United States Tax Court, it is crucially important to point out that none of my services should be construed to be the practice of law, I am not an attorney. All of my work is performed solely under my California CPA license, and is done exclusively within the purview of my CPA license. Any work done by me – including representation in the United States Tax Court – is performed solely in my capacity as a CPA; I am not rendering legal advice nor practicing law even though I am authorized and licensed to represent clients in the United States Tax Court.

Should you have any questions pertaining to the matters raised in this memorandum, please do not hesitate to ask.

Your signature below indicates your approval and acceptance of these matters, including but not limited to your acknowledgement and agreement that I am not an attorney, that I will not be providing you with legal services, and that you are not looking to me to give you legal advice as an attorney. Your signature below is required prior to the rendering of these services.

ACCEPTANCE BY CLIENT: Read, agreed and understood:

APPROVED BY: _____

DATE: _____

PRINT NAME: _____

¹ United States v. Kovel, 9 AFTR 2d 366, (296 F2d 918), (CA2), 1961