

## Elizabeth Bystrom

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**From:** Elizabeth Bystrom <eb@elizabethbystromcpa.com>  
**Sent:** Wednesday, February 07, 2024 6:59 AM  
**To:** Elizabeth Bystrom  
**Subject:** Important Announcement: Changes to Our Services

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**From:** Elizabeth Bystrom  
**Sent:** Saturday, December 02, 2023 6:09 AM  
**To:** Elizabeth Bystrom <eb@elizabethbystromcpa.com>  
**Cc:** Elizabeth Bystrom <eb@elizabethbystromcpa.com>  
**Subject:** Important Announcement: Changes to Our Services

Dear valued clients,

The tax industry has changed significantly in the past several years, and the practice of cramming work into the tax season and racing against the April 15<sup>th</sup> deadline is simply no longer a sustainable business model for us.

The combined effect of:

- An increasingly complex tax code;
- Tax filing season not opening until the end of January ;
- Late or last-minute support documents produced by 3<sup>rd</sup> parties;

Has created an unbalanced environment where tax season has become a 10-week sprint that requires hundreds or thousands of hours of work to be jammed into an increasingly smaller window of time. This phenomenon, known as “tax season compression”, is a very real and dangerous element in the tax industry.

It does a disservice to all parties when the driving factor in an equation is getting as much work done and out as possible before a set deadline. While we have slogged it out in the past, we now believe that this model is unsustainable, and that tax season compression needs to be eliminated from the equation once and for all. The changes necessary to accomplish this will require a fundamental shift in the way we do business.

To that end, we will be implementing the following changes to our practice to better position ourselves to give you the best possible service and advice without the specter of rushing to a deadline. The following applies to both individual and business tax returns alike:

1. **FEB 15<sup>th</sup> due date for document submission:** In the past, our policy has been to accept submission of tax documents at any time until late March for return completion before April 15<sup>th</sup> – our new date will be **February 15<sup>th</sup>**. If all of your tax support documents and information are not in by then, we will automatically extend your return and calculate an extension payment based upon 110% of your prior year tax.
2. **Automatic extensions for returns with late arriving information:** If your return includes information received from a 3<sup>rd</sup> party provider that arrives after February 15<sup>th</sup> – this includes brokerage 1099s and K-1s - we will automatically extend your return to give you additional time to gather those documents and get them to us. If we have substantially all your information, we will calculate an extension using that information. If not, we will calculate an extension payment based upon 10% of your prior year tax.
3. **We are bringing the policy of a guaranteed quick turnaround or promised completion date to an end:** Nothing about a tax return should be done quickly. Rushing through a return in order to meet a deadline does everyone a grave disservice. We are choosing to prioritize “quality product” over “quick service”. To that end, we are

discontinuing the practice of providing a quick turnaround or estimated completion date. Returns will still be completed in the order they arrive – we just won't be working long hours to get everything done by a certain date. There will be no change to how we communicate with you, and we will continue to stay in contact with you during your return preparation process.

4. **Engagement letter process:** We will again be using **ignition**<sup>★</sup> for our engagement letter software that allows you to view and sign your engagement letter quickly and easily. This year we will be including a due date for signing so that we can ensure we have the capacity to complete your return. If you do not complete the engagement letter process by the due date, we will have to decline your return.
5. **Paying for your return:** We have a new payment policy this year. We will require a deposit upfront to reserve your place for tax preparation services. The remaining balance will be due at completion.
6. **Pricing:** Our pricing will be increasing. The fact of the matter is that the tax world has changed - largely due to outside forces beyond our control. We expect our pricing to increase every year as long as the tax code keeps getting more complicated and there continues to be a shortage of qualified tax pros.

**What does this mean to you, our clients?** These changes will directly result in more personalized and tailored service that meets each client's specific needs and goals. We will be positioned to expand on our work with you to provide more proactive and strategic tax planning, which can help minimize the amount of tax you owe – resulting in *you keeping more of your money*. You don't know what you don't know – let's talk more often so I can help you flush out the areas where you might be missing out and overpaying.

We realize these changes represent a shift in the landscape of how we do business and serve our clients. We appreciate your understanding and trust, and we hope to continue working together in such a way that enables us to provide you with the full scope and power of our tax and advisory expertise.

Elizabeth Bystrom, CPA

**Elizabeth Bystrom CPA, Ltd.**  
*Certified Public Accountant*