

"What Eric has provided is more than just advice, but a blueprint for taking your practice to the highest level. The book is brilliant not just because of its content but its simplicity. He is truly The Tax Rep Master."

* Sidney Kess, CPA, JD, LL.M., author and considered the most influential tax practitioner of all time, and author of hundreds of guides on Taxation

HOW TO BUILD A MILLION DOLLAR TAX REPRESENTATION PRACTICE

A Step-by-Step Approach

Eric L. Green

Attorney and Founder of Tax Rep Network

Author of The Insider's Guides

How to Build a Million Dollar Tax Rep Practice

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Table of Contents

- About the Author5**
- Acknowledgments8**
- Why This Book?.....9**
- He Who Has the Gold Makes the Rules18**
 - Get Your Own Laptop20
 - Why Job Security is an Illusion21
 - Rainmakers Don't Get Laid Off.....22
 - You Don't Want a Job; You Want a Business.....23
- Why I Love Saving Taxpayers24**
 - Jack.....25
 - Elizabeth29
 - Bill31
- What is Taxpayer Representation36**
 - It's Administrative, Not Technical.....37
 - Speaking to IRS Agents and Responding to Letters (After Reading Them First)37
 - IRS Examinations ("Audits")39
 - IRS Collections41
 - The Types of Services You Can Provide43
- Where Clients Come From45**
 - My First Tax Rep Member46
 - The Three Marketing Truths51
 - You Don't Need to Spend (Much) Money52
 - You Don't Need Motivation; You Need Discipline!.....54
- How to Market You and Your Practice59**
 - Marketing Options.....61

Make Yourself an Expert	74
Invest in Yourself	86
Your Board of Directors	92
Meet Sidney Kess	93
Your Board of Directors	97
Serendipity	98
You Need to be Able to Tell a Good Story	115
You MUST Be Obsessed	126
How I Do What I Do	127
But I Don't Have Time	130
Obsessed? Really?	132
Leverage, Leverage, Leverage	134
Tech Changes Everything.....	135
Setting Up Your Own Office?.....	136
Pricing Your Services.....	142
Consultations	146
You Need to Do Some Work First.....	146
The Information We Convey is Valuable.....	147
As Your Reputation Grows	150
Retainers.....	151
Sample Pricing.....	152
Sample Pricing Structure	154
Walking Annuities.....	155
Walking Annuities	157
Your CRM	159
Alerting Clients to Changes	161
Transcript Monitoring	161

What About Your Tax Return Business?.....164
Getting Started: The Game Plan.....169
 Get Your Practice Set-Up170
 Building Our Skills.....171
 Marketing Ourselves, Our Brand, and Our Business....173
Now Get After It!.....179

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Attorney Green is a frequent lecturer on tax topics for many national organizations, including Insightful Accountant, CCH, the National Association of Enrolled Agents, the National Association of Tax Professionals, the ABA Tax Section and

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Mr. Green is the author of *The Insider's Guide to IRS Offers*, *The Accountant's Guide to IRS Collection*, *The Accountant's Guide to Resolving Tax Debts* and *The Accountant's Guide to Resolving Payroll Tax Debts*, and the *Tax Rep Guide of Checklists, Letters and Forms*. He is a contributing author for *Advocating for Low Income Taxpayers: A Clinical Studies Casebook*, 3rd Edition, and has also been quoted in *USA Today*, *Consumer Reports*, *The Wall Street Journal's Market Watch*, *TheStreet.com*, *The Wall Street Journal* and *CreditCard.com*.

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— ELG

Why This Book?

“I don’t know how you do all this,” she said to me.

“Do all of what?” I asked, knowing full well what she meant, but I refused to play along.

“Well...doing everything you do...the law firm, the speaking, the coaching, you know...all the stuff you do.”

“Anyone can do it,” I replied, looking at the documents she had handed me.

I was sitting in the exhibiting hall at a large accounting conference in Salt Lake City when one of the attendees approached and asked if I would look at her first Offer-in-Compromise. She handed me ten pages, that was it.

Now, if you have never done an Offer-in-Compromise, let me just say that they are generally MUCH longer than ten pages, more likely 100-300 pages. The reason is that every number in the financial package you submit must be backed up, so three months of bank statements, utility bills, proof of housing expense, auto, medical, etc. You get the picture. Her ten pages were just the basic forms, and even some of those looked to be missing.

“Um, I think you’re missing stuff, like all the back-ups. Where is the complete package?”

“I assumed they wouldn’t need all that, given the numbers we listed. I read your book,” she said grinning at me.

‘You should read it again,’ I thought to myself, knowing she clearly missed all the advice about how to package and file the Offer. “Well, this won’t get worked because it’s incomplete, and they will want all the back-up. I would finish pulling this together for a complete package. Also,” I said, flipping to the page where the Offer is actually calculated, “This shows she can pay \$1,100 per month. How much does she owe and for what years?”

“The last 2 years, and it is around \$40,000 now.”

“She cannot do an Offer if those numbers are accurate. If she just filed the last two years, there are at least 100 months remaining on the collection statute, and if she can pay anything more than \$400 per month, she can full-pay, and the IRS will not consider an Offer.”

“Wow,” she said smiling at me, “I guess I missed that part. I don’t know how you do what you...”

“It’s not that hard,” I said, almost groaning, “Anyone can do this, it just takes discipline.”

I get asked this so much that it has sort of become a running joke.

Now don't get me wrong. I am not a life coach and would not pretend to be. I have struggled a lot with work-life balance. But the truth is it's not very difficult to understand, though it can be hard to impose discipline on yourself.

I just find that most of us tend to fall into a daily pattern. We do the same things, eat the same foods, and think the same thoughts. To make a change in any aspect of your life you need to break that pattern. It is hard to do, however, once you do break the daily pattern and commit to working on something, you can then make big changes. It's in this way I built an almost \$5 million law practice and a million-dollar coaching program. Picking a good practice area doesn't hurt either!

IRS representation is a very niche, lucrative area to practice. Very few people handle these matters, the need is huge, and it's the type of service where accountants can charge clients like attorneys. It is a premium service and carries a premium price. It is not rocket science, but it does require you to understand the way the process works and the formula the IRS uses. Explaining this to an audience and getting them to believe that it is not all voodoo can often be difficult.

So, a short time later, I was at another conference in Las Vegas, being paid good money to educate a room full of accountants, when again I got the usual, 'But I could never do that.'

I sort of snapped. I didn't mean it to, it just happened.

"Baloney! There is nothing here that you cannot do. You mean to tell me that you can do corporate tax returns and individual 1040s that stand up to audit but you are not capable of filling in some other IRS forms, or emailing messages to your existing clients that you can help taxpayers with problems? Nonsense. If I can, you certainly can. I can't do a 1040 return. I don't even do my own 1040 return. So, stop with the self-delusion and just admit you're too lazy to turn off the television or put the iPhone down long enough to invest in yourself and your own bottom line. Admit that you don't want it, and you can leave and go to the casino and donate money."

There. I did it. The silence was deafening. Half the room sat and stared at me with their jaws hanging loosely, stunned by my audacity to say that to them. The other half smiled, and one woman toward the back of the room actually clapped. It would have been cool had it not sounded so mournful, being that it was only one of 300 people in this huge ballroom.

The situation was tense. I needed to have some sort of follow-up before the screaming and crying started. “Look, I am certain by now that most of you have concluded I am no genius.”

They laughed; the tension was receding. “But this is not complicated, and I just want all of you – everyone – to come back next year, walk up to me, and give me a number. ‘I added \$50,000, I added \$100,000, I finally fired the loser ‘F’ clients and got 50 more ‘A’ clients.’ If we accomplish that, then we have all made great use of this limited time we have, both today and theoretically over our limited lifetime.”

Now, they were all smiling. Crisis averted. “You deserve to work with the clients you want to work with and make the money you want to make. Don’t sell yourself short.”

The rest of the talk went by in a blur, but at the end I had a conga line of people to coming to thank me. My reviews were five out of five and the organization kept bringing me back. I got my message across, and it is one I do not believe any of them will ever forget.

It was also what prompted me to put these thoughts together in this book. I have other “Guidebooks” – books that tell you how to handle a collection case, or how to do an Offer-in-Compromise, etc. That is not what this book is about. The book you are reading is about your practice in general, and,

in a way, about your life. All of us will spend most of our time at work. If you are not happy and satisfied with your career and practice, why are you still doing it? I believe that you can make changes to make your practice more satisfying and more lucrative. We need to stop walking around like a machine on autopilot and work on the changes necessary to get ourselves to the place we want to be, both personally and professionally.

Do not get me wrong, we all have stuff going on in our lives, and, no, we are not lazy just because we watch a television show. But what I hope you realize is that if you want something, I mean really want it, you can probably review what and where you are spending your time and make some adjustments. Carve out some time – whether its two hours, one hour or even just twenty minutes – and make the commitment to pursue what you want, whether it is building your future tax rep practice, or going out for a daily walk, or spending time with your children. Is it truly possible that you have no time? Yes, in some extreme circumstances I know there are people who have family obligations and have no choice. But that is not most of you. You know when you're guilty of procrastinating and wasting time.

I have learned one lesson on my crazy journey: If you are unhappy with your practice, it's a situation you created, and it is well within your power to change it.

We play a key role in what our lives look like, what our practice looks like, and whether we are happy. If you are struggling, do not beat yourself up. It's okay to cut yourself some slack, but we also need to chin up, correct course, and start working towards that which will make us happy and more fulfilled. Given how much time I spend at work, it has been a bit of an obsession to make my practice work, generate the income I desire, and be the place I want to go and spend my days working.

But do not let me dupe you: I have struggled mightily with this. It was a Sunday about five years ago, and I was in the office as always, miserable, when I spoke with a friend of mine, Brent Robertson. Brent is one of the founders of Fathom, which is a consulting outfit in West Hartford, Connecticut where they do marketing and problem-solving for many companies and entrepreneurs. He easily recognized my unhappiness. "What's up?" he asked in his usual cheery way.

"I need to ask you something," I started, "The firm is great, growing every day. Tax Rep keeps growing. The podcast following keeps growing. My wife and kids are great. So why am I so miserable?"

"Ahhh," he started, "Well, tell me what you want."

"What do you mean?"

“I mean,” Brent said, “describe to me what you want your day, week and month to look like. Walk me through that.”

I couldn't.

“Well, until you know what you want, it will be hard for anyone to help you, and for you to know which steps to take.” Brent said. “Can I suggest we meet for coffee next week, and meanwhile you need to think about what you want your life and practice to be, and then we can engineer how to make that happen.”

And that is exactly what we did. Brent had me lay out my goals. We figured out what I needed to do, step-by-step, to reach those goals, and then we began implementing the process. We focused on the stress points during my day and why my day always felt chaotic. Step Number 1 was that I hired an assistant and cut off direct, unfettered access to me, as the daily barrage of random phone calls was killing my efficiency. I had become a victim of my own marketing machine! Now everything goes through my assistant. I scheduled my marketing activities so they did not get pushed aside and ignored. And I scheduled my evening dates with my wife and my kids, so family didn't get shorted. Within six months my stress level was down and revenues were up.

This adjustment took some work, and was not as smooth as it might sound, but over time my new patterns took hold. I did

not skip Saturday movie night with my family because I was too distracted by work. I actually started taking walks in the evening and on weekends with my wife, and tried to be more present for my children. I am not perfect, but I am certainly better.

I did not actually cut activities out of my day, but what I did was to start taking control of my day. This seemed to lessen the stress I had always felt. Now with less craziness swirling around me, I was free to focus my energy on my practice, speaking and coaching. Both Green & Sklarz and Tax Rep Network continued their exponential growth.

This book, I hope, will provide you with the framework and steps to either launch your own practice or take your existing practice to the next level. I will not ask you to spend a lot of money or do anything radical. Just follow the steps, discipline yourself to execute the plan and hit your targets, and your only limits will be the ones you impose on yourself.

Chapter 1

He Who Has the Gold Makes the Rules

Getting laid off sucks.

My wife and I got married, and while I worked at KPMG in Boston, she was working on her Ph.D. at the University of Massachusetts. Our plan was to move to Connecticut where my wife had lined up a post-doctorate position with Yale University, and I would transfer within KPMG.

Then, KPMG laid off 80% of the state and local tax department. So, we arrive in Connecticut with me being unemployed. I went to recruiters who placed me at a large regional accounting firm. I had started my LL.M. at KPMG and was taking the courses at a distance learning location in Hartford. It was during the LL.M. classes that I met Jeff Sklarz, one of my best friends and future law partner.

I ultimately decided that I wanted to have my own practice and to be in charge of my own professional destiny. In Connecticut, I moved from the regional firm to Deloitte, but nothing really changed.

After six months of working at Deloitte, a friend and I discussed a situation. He had an opportunity to acquire an

existing accounting practice. He just did not have good credit, and he could not come up with \$20,000. I did have good credit but also could not come up with \$20,000. We managed to get a loan from his family and we both purchased the accounting firm. He basically did the accounting and tax work, I had a law practice which was fed basically by the accounting practice, so I set up legal entities, did estate planning and did a little bit of tax consulting with him.

After two years of us working on the businesses, we were still struggling, and money was always tight. I was away at a conference when my partner called me and told me I would have to be bought out. He was basically bankrupt and had found another accounting firm to merge with. There would be no need for me, so I should just sign over my interest.

I was being thrown out of my own partnership.

After some wrangling – the other firm somehow thought they could absorb the assets and stick me with the outstanding balance on the accounting firm's credit line – we worked out the dissolution. They took my partner, the clients, and the debt, and I walked with my law practice.

I sought guidance from one of my mentors, and out of that conversation I realized that the work that I enjoyed the most was a service I had never seriously considered marketing for, which was taxpayer representation before the IRS. This

mentor, John Tannenbaum, had worked at the IRS himself and knew the two attorneys who were best known for doing this work in Connecticut. A few days later I had a lunch meeting with them and agreed to join their practice.

Get Your Own Laptop

My agreement was bare bones. They would provide a desk, pay for my malpractice insurance, and try and provide me with four hours of work per week. Everything else was on me, including getting my own laptop and finding all my own clients.

When you are required to find clients in order to make a living, it's unbelievable how hard you will work to identify clients and how far you are willing to go to get them.

I ran around like I was crazed. I took estate planning appointments at night after dinner when couples were home and could meet. I would meet new potential IRS problem clients on weekends. Whenever someone could and would meet, I was available and willing to go to them. I discovered the hard way that you must get a consult fee up front for IRS rep cases, and basically ran myself ragged.

But it worked. A year later was making what I had made at Deloitte, and five years later I was generating a nice living. I was now a partner with the firm when, in my 7th year, Jeff Sklarz called.

For a host of reasons, Jeff felt he had to leave his firm, and he came and joined us. Jeff and I had always joked that at some point we would be each other's only competition. Fast forward two years later, we left and started our own firm.

Why Job Security is an Illusion

“Go to school, graduate, and get a safe job.”

Have you ever heard that before? I did. I am going to explain something right now; there is no such thing as a safe job. I had positions at the biggest, most lucrative firms in the world, and they laid me off. Now looking back at those events, it was definitely for the best, but it didn't feel that way at the time.

The idea of job security is an illusion for employees. You see the headlines of which CEO got fired, layoffs, etc. Usually, those headlines are followed by an uptick in the stock price of the company. Employees are just cogs in the machine. You don't want to be a cog; you want to build and own the machine.

Do not believe the hype about safe jobs. Industries get disrupted and vanish, employers get disrupted and vanish. It's just the life cycle of business; it's nothing personal. The only security you can achieve is by becoming your own marketing machine and creating your own wealth.

Rainmakers Don't Get Laid Off

Whether you want to make partner where you are, leave your firm and launch your own business, or just increase your existing business, you need to be able to bring in clients (i.e., make it rain new business). Jeff and I, in nine years, built our practice to over \$5 million. And neither Jeff nor I are geniuses, though, honestly, if one of us were it would be him.

Building a practice comes down to two things: desire and discipline. If you want it and you are willing to work for it, you can do anything you set your mind to. The problem with most of America is that they do not have the discipline to work for it. They say they want to be rich, to own their own shop, to do whatever, but it's just a fantasy because at the end of the day, they are unwilling to break their daily pattern, put in the effort and really go after it.

If you have a dream of owning your own practice that brings in \$1 million, the first step is to map out how can you do that – what type of cases you will need and how many to hit that revenue goal. When you've calculated what you would need to do to generate that level of revenue, you then break down the steps it would take to get there. Your \$1 million practice is no longer a fantasy, it's a plan. Now you need to find the discipline to get up every day and execute the plan.

You Don't Want a Job; You Want a Business

Whether you are an attorney or an accountant, if you are a solo practitioner and have your own practice, it's really a glorified job. You're doing everything and have the worst boss in the world (i.e., You). If you don't work, you don't get paid.

A business is where the practice works for you, whether you're in the office or on a beach. It rolls on like a machine. It's one of the things I like about IRS Representation. Clients are everywhere. My marketing can be on autopilot, and the work lends itself to automation and leverage.

If you want a practice that can run even when you are not there, that can be done from anywhere, where there is an endless supply of clients who need you, and you have little competition, then this is the right book for you.

But what is "Taxpayer Representation," and what does this practice look like? I am glad you asked!

Chapter 2

Why I Love Saving Taxpayers

“Choose a job you love, and you will never have to work a day in your life.”

— Confucius

So, how did I start doing taxpayer representation, and what made me love this practice area so much that it became the core of my professional life?

Simply, it is a practice area that is interesting, as every case is different, and it allows me to make top dollar while helping save people’s financial lives (and in some cases, family lives).

It was a confluence of events that led me down the path to building my IRS Representation practice. The first thing that happened was that an accountant stopped in to see me back when I had that accounting practice with my partner – the one who would ultimately merge with another accounting firm and throw me out. Anyway, this visitor was a former Revenue Officer with the IRS who focused on resolving tax problems. He was willing to help us whenever needed and even coach me. I thought it was interesting but, honestly, not really what I wanted to do. My estate planning practice was growing, so

I liked how things looked and the direction I was already heading.

Then I had a client get into trouble with the IRS. Then another, and then another. It was as if my new awareness that there was business to be done in the niche of fixing tax problems started to attract people with tax problems. Life is strange that way. I found that I needed to figure out how to help these clients resolve their issues. I began consulting with the former Revenue Officer and started doing representation.

Again, this is an area I had never seriously considered as a focus for my practice, even after I started handling these matters. I was planning to remain an estate planner. It wasn't until my mentor pointed out that I seemed to enjoy handling IRS matters that I really considered it as a career. I was good at it, it was an interesting practice, and there were few practitioners in this niche. Twenty years later I still feel that IRS Representation is the greatest way to make a living as a tax professional.

Jack

The first man to come in and see me about his problem “just needed time” to sell some assets and pay the IRS. On his behalf, I contacted the IRS Revenue Officer who had his case at the local IRS Office and arranged to go meet with him. On

a Tuesday morning in March 2005, at 9:00 am, I was sitting in a little conference room on the 2nd floor of the IRS Office (at the time) in Wethersfield, Connecticut. Sitting opposite me was the Revenue Officer, Mr. Morey. I opened my notes, and before I could start speaking, Mr. Morey told me he had to review Publication 1 with me.

Publication 1, for those of you who have never done this before, reviews the taxpayer's rights. I told Mr. Morey that I was familiar with it, but in a scene that would play out for the next ten years of my dealing with Mr. Morey, he would explain that he needed to read it to me and then commence reading the publication out loud. So, I fingered my notes while Mr. Morey read Publication 1 out loud, finishing with, "Did you understand everything I just read, Attorney Green?"

"Yes, Mr. Morey, I did."

"Good, so now what can I do for you?"

"Mr. Morey, my client fully intends to pay his tax debt back but needs some time to do it..." Then I launched into everything going on with my client, his life, and the circumstances that led up to this crisis.

Mr. Morey simply sat still and stared at me. When I finished I had no idea if I had made any impact, but Mr. Morey stated in his even keel way, "Your client is not in tax compliance."

“Tax Compliance?” I asked.

“Yes, Attorney Green, your client has failed to make any estimated tax payments for the last two years and has not filed his 2003 or 2004 tax returns as I have asked.”

Now I stared back at him, blankly. “You have no idea what you are doing, do you?” asked Mr. Morey.

I sort of half smiled, half grimaced – I couldn’t help it. “It’s that obvious, huh?”

“Okay,” said Mr. Morey, “Let’s review tax compliance...” and he went on to explain what the client had to do to be in compliance: tax returns due are all filed and making current estimated tax payments. He told me to get the 2003 and 2004 returns filed and he would let my client make his first quarter 2005 payment and count it as compliance. We set up another date for two weeks later to meet again, and he agreed to not levy my client before then.

“Jack, you need to file 2003 and 2004 in the next two weeks.”

“Eric, look, I am busy, your partner the accountant is busy...I can get 2003, but 2004 will take at least another month.”

“If 2004 is not filed so it can be rolled into any payment plan we do then it must be paid in full. Can you pay in the estimated taxes you should have in the next two weeks?”

“Shoot. No, I can’t. Fine, I’ll get the return done with your partner this week.”

“By the way, you said you had medical issues that caused this, your heart issue and your mom’s cancer and her passing away. Can you get me the medical documentation on all that? I want to see if we can pull off penalty abatement. It’s \$18,000 of the \$45,000 you owe.”

Two weeks later Mr. Morey accepted the two tax returns, a check from my client for the 1st quarter estimated tax payment for 2005 and went off to meet with his supervisor. His supervisor came back with him, agreed to the payment plan we requested, and agreed to abate the tax penalties for 2003, but not 2004. Given that his issues had really resolved themselves in January 2004, the IRS Collection Supervisor saw no reason why Jack could not get himself together to get those estimated payments in on time.

The point was the client had his payment plan, I had reduced his penalties and interest by more than \$10,000 and earned \$2,500 – the largest fee I had ever had until that point. The client brought me a bottle of whiskey and hugged me when I saw him three days later. “You really are great at this,” he said.

Elizabeth

“Please just try and help her, she is so sweet.”

I was standing with one of my clients who was asking me to help her tenant, Elizabeth, who was being levied by the IRS mercilessly. I went and met Elizabeth, who was disabled, and from Scotland originally, so she had this very thick Scottish accent. She did nothing but chain smoke and swear. She had lost a husband and children and was trying to pay bills on her social security. The IRS automated system was taking 15% of her social security payments which left her nothing to live on beyond her rent.

I completed the financial statement with her, called a Form 433-F. I had her sign an IRS Power of Attorney form so I could speak to the IRS on her behalf and, armed with the forms and back up, called the IRS. After explaining why I was calling, I asked the IRS to release the levy on her social security payments.

“Mr. Green, your client has not filed a tax return in four years,” explained the gentlemen from the IRS. “So I am sorry, but no, that levy will not be released.”

“Actually, she has no filing requirement, but it will be released because you are holding the 433-F that I just faxed you showing she is uncollectible. So per Internal Revenue Code Section 6343, the IRS is in violation of the statute. You

cannot levy someone if it is causing an economic hardship, regardless of whether she is in compliance or not. And she is in compliance, because her income is only social security and not subject to tax.”

Mr. ACS person paused and told me he would put me on hold and return to the call after discussing it with his supervisor. A few minutes later, he picked up and stated his supervisor agreed with me and that they would release the levy, though it could take a few weeks to happen because of the way the system worked.

When I saw the client, she gave me knitted blankets she had made for the new twin babies my wife and I had just had. She literally broke down crying and hugged her landlord, the client who had gotten me involved. “You saved my life,” she said looking at me.

“Not really, but I am glad I could help,” I said.

As I walked out toward my car with the landlord, she told me quietly she would figure out a way to pay me. “No need.” I said, holding up the blankets, “It really was my pleasure to help.”

Not that I didn’t need the money – I did. But I thought it was just a good deed to do, to help someone in need, especially someone who obviously could not afford to hire me, even though I was not very expensive back then. Good deeds are

often rewarded, and it did come back to me many times over. The landlord who asked me to help Elizabeth must have sent me ten sets of friends for estate planning over the next two years.

Bill

“There is something wrong with Bill. He does not seem to do anything we recommend, and when I remind him, he seems confused.”

This was my partner in the accounting practice telling me about one of our clients, Bill, who owned a woodworking/cabinetry business, and who kept falling behind in his payroll taxes. Whenever my partner met with him to review things and would raise the payroll taxes, Bill seemed to believe it was the first time he had heard this. “Is he playing dumb, or do you think he is dumb?” I asked.

“No idea.”

A month later, Bill’s wife called to tell us it looked like Bill had advanced Lyme disease, which is a bacterial infection from a tick bite that can cause severe physical and mental issues if left untreated, like memory loss. Believing that was the explanation, I assumed Bill would recover after getting treated.

Only he did not. Within a few months, the doctors realized it was not Lyme disease, but brain cancer. Bill underwent surgery and treatments but could not be saved. He died at 44 years old, leaving a wife and two young children behind. Bill also left behind a payroll tax problem and an empty workshop with tools many of his employees walked off with when they realized he was dying.

“I can’t possibly pay this off,” said Bill’s wife.

“You don’t need to,” I explained. Realizing I had no idea what to do, I researched the issue of payroll tax debts before meeting with her. I learned that the IRS can assess responsible people for the unpaid payroll taxes if those people were responsible and intentionally failed to pay over the payroll taxes.

Bill, when he was unable to work, had agreed to let his wife sell his term life insurance to a company for lump sum cash payouts. Called a "viatical settlement", these companies are vultures who, in my opinion, prey on sick people desperate for money, but they do allow people who otherwise need cash to obtain it for the family at a time of great need. Against my and his financial advisor’s better judgment, Bill sold his policies to raise a few hundred thousand dollars for his family.

Bill’s Corporation owed the IRS almost \$90,000. Bill’s widow was beside herself with fear. Half of the insurance money

was going to go to the IRS, and she had two young children and nothing else but some small equity in their home. “Of that \$90,000, the corporation alone owes the IRS the taxes, penalties and interest. The only thing Bill owes personally was the trust fund portion of the taxes, around \$41,000.”

“That is it? That is all I have to pay?” his widow asked.

“Yes, but you do not even have to pay that, as you and the children do not inherit his debt. The issue is that they have a lien on Bill, and he transferred the house to you after he owed the money, so the IRS has the right to pursue Bill’s half equity in the home that it should have received. Based upon the IRS analysis for quick-sale value, minus the mortgage, Bill’s 50% is only \$18,000,” I told her. “That is our Offer to the Appeals Officer.”

We had received a Final Notice of Intent to Levy and had requested a Collection Due Process hearing. Bill’s widow quickly agreed but asked about the life insurance. “Can’t they get that?”

“No, because it was term insurance on his life that you owned and liquidated for cash, so there was never any asset for the IRS lien to reach.” She agreed to pay the \$18,000 if the IRS would accept it.

After explaining all of this to the Appeals Officer, he agreed that the analysis I submitted appeared reasonable and that

he would submit the proposal to have the lien removed in exchange for the \$18,000. He also requested a final financial on the company showing the bank accounts were closed and the entity dissolved. And with that, \$72,000 of debt went away with the business, and Bill's family kept the bulk of the money from the sale of the insurance policies.

When I called her with the outcome of the Appeals hearing, Bill's widow wouldn't stop thanking me. Bill's widow sold their home a short time later and moved to New York with the two children, after which I lost touch with her. But her thanking me for minimizing the tax debt and saving them \$70,000 of their precious dollars was an unbelievable feeling, a feeling that I had actually helped the family at least keep what they had and move on. I hope they are doing well.

.....

I was once in an office that had a sign on the wall that said, "Miracles performed here."

I do not think what I do counts as miracles but having the ability to remove the horrible weight of tax debt, lift fear and stress and resolve someone's tax issue is an amazing feeling. Is every client thankful at the end? Of course not, but most are, and it's incredibly gratifying to do work that pays very well leaves your clients better off than when they came to you. Resolving my clients' tax issues is something I have become

so passionate about that it is a driver for my speaking and creating the coaching program to help others build their practice in this area. And as you will see in the next chapters, there are lots of ways to help taxpayers, even if you are not an IRS expert right now.

What is Taxpayer Representation

"Taxpayer Representation" is when either an attorney or an accountant helps taxpayers who have an IRS issue. And there are a lot of taxpayers that have IRS issues! The current estimate is that between 35 and 50 million taxpayers are in trouble. We know there were 25 million taxpayers in trouble prior to COVID-19 starting in 2020, and that number is believed to have grown significantly.¹ So, taxpayers who require help are everywhere.

This statistic makes finding them easy. In fact, most of my approaches to marketing focus on simply letting people know I handle these matters.

If you are an accountant, you are probably already involved with IRS representation. Ever respond to an IRS letter for a client? Ever send additional documentation when you received a notice requesting it? That is IRS representation.

¹ TIGTA reported that the IRS knew about 10 million non-filers, many of whom were high income earning (May 20, 2020) and the IRS had more than 15 million taxpayers in its collection division inventory, including those assigned to private debt collectors, as of 12/31/2019.

It's Administrative, Not Technical

If you are an attorney, you need to understand one thing, and you may want to sit down for this: IRS Representation has NOTHING to do with technical tax knowledge. Nothing! You do not need to know how to do tax returns or even have opened an Internal Revenue Code. Practicing before the IRS is an administrative practice. It's similar to bankruptcy, and the math is as complicated as completing the Chapter 7 bankruptcy schedules. Seriously! In fact, if you do handle bankruptcy cases, you might be overqualified!

Speaking to IRS Agents and Responding to Letters (After Reading Them First)

No, it's not terrifying to talk to an IRS employee. Our office speaks to the IRS virtually every day. I have become friends with many of our local IRS professionals over the years. It is amazing, however, how many taxpayers would rather pay an attorney or an accountant to speak to the IRS for them. It is both funny and sad when taxpayers arrive in our office and are paying our fees to go through their unopened mail. They are hysterical that they are under IRS audit, or being watched or targeted, until we open the letter, and it explains there was a typo and they are increasing the taxpayers refund by \$16.

"Oh really...well...that's nice!" said a client two weeks ago.

"Yes, and it just cost you \$125 at our rates to do that. Maybe next time try reading the letter first?"

Client hysteria aside, much of what we do is responding to letters from the IRS. These letters can be:

- Notices of an Exam
- Requests for Documentation
- Letters explaining what the IRS is doing
- Collection Notices

Your clients will freak out when they see anything from the IRS. Most of what we do is corresponding with the folks at a government agency. In fact, we do this so much we created an entire practice guide just from all our letters and checklists.²

IRS Representation is a practice area that is very process driven and moves in a linear fashion. Once you understand how the IRS enforcement process works, you will probably come to the same conclusion that I did, which is that it is very logical and, quite frankly, simple to understand.

² The Practice Guide consists of our checklists, letters, and sample correspondence, all of which is inside the Tax Rep Network members area for our members' use.

IRS Examinations ("Audits")

There is much to do about nothing when it comes to IRS exams, or audits.³ Effectively, an audit is a review of what the taxpayer put on their tax return. Anyone who can count and has a basic understanding of taxes can handle 90% of what comes up during an exam. The key is to be detail oriented and review everything in advance. Preparation is key to a successful outcome.

My advice is to generally try and prepare to support everything on the tax return, if possible. In preparing to support all the numbers on the return as soon as you have notice of the exam, you will know if the client's records are missing or are incomplete. This will allow you time to obtain documents from vendors or to reconstruct records that are necessary for the exam.

For accountants who do prepare tax returns, an examination of that return is NOT part of the preparation fee. The fact that the client was selected for an exam is (presumably) not your fault, and it is a separate engagement for which you should charge accordingly.⁴ Remember, the client is an adult, and

³ Unless the taxpayer committed fraud, in which case things are going to get interesting!

⁴ Generally, the client gets selected for an exam that has nothing to do with you or how the return was prepared. However, if there was a mistake on your part on the return that triggered the exam, I recommend being a professional and handling the exam for free,

they could handle their own audit if they chose to (even though we would not recommend it).

The examination process itself is simple and linear. The stress in audits is not the process; it's the client and their often-shoddy record-keeping. The basic flow of an IRS audit is:

1. Notice of Selection for Examination
2. Request for Documents (referred to as an Information Document Request, or "IDR")
3. Follow-up IDRs (not uncommon)
4. Report of proposed Changes, if any, also called a "thirty-day" letter because if the client disagrees with the proposed changes, they have thirty days to file an Appeal
5. Notice of Deficiency, or "ninety-day" letter. This notice gives the client ninety-days to file their case in the United States Tax Court or the proposed tax assessment will be final, and the taxpayer will owe the balance.

Also, you need to understand, the examiner is not your friend. The Internal Revenue Manual points out that an examination is supposed to ensure that the taxpayer's rights are

given it's your fault. A pro takes pride in his or her work and should stand behind it.

protected,⁵ although that is not how many examiners treat it. In my experience, many examiners are trying to find reasons to adjust the return and generate more tax, despite the fact that screwing the taxpayer is not a formal aim of the examination process.

Since the TIGTA report was issued in May of 2020 about the 10 million non-filers, the IRS has increased its examination of taxpayer returns significantly. The \$80 billion on new funding created by the Inflation Reduction Act over the next ten years for increased hiring and enforcement will only increase the IRS's ability to enforce. Examinations and helping taxpayers resolve issues raised is always a big part of representing taxpayers before the IRS, as well as the many state and local agencies that may also audit them.

IRS Collections

IRS Collections is where we assist taxpayers to resolve a back tax debt. There were more than fifteen million taxpayers who owed money to the IRS at the end of 2019. The critical points here are to understand the IRS Collection process, how the IRS calculates what the taxpayer can afford to pay (referred to as "Reasonable Collection Potential") and the various options for resolving the taxpayer's balance due.

⁵ IRM § 4.10.1.2

The IRS collection alternatives are:

- **Uncollectible Status:** Where the IRS determines the taxpayer does not have available equity in assets and does not have the ability to make monthly payments
- **Installment Agreement:** An installment agreement is a payment plan to repay the back taxes over time. There are variations of agreements, and figuring out which one works best for your client is why we make the big bucks
- **Offers-in-Compromise:** An Offer-in-Compromise, or OIC, is where we can settle the outstanding tax debt for less than the total amount owed. Again, there are several variations of OICs, so which one works best for your client will depend upon their particular situation.

Collections, like audits, are straightforward and linear in nature. The flow of IRS collection and enforcement is basically:

1. Tax is assessed and billing notice is sent.
2. If the balance is not paid within ten days the statutory lien arises automatically.
3. If no collection alternative is set up with the IRS, a "Threat to Levy" will be issued to the taxpayer.
4. The Notice of Federal Tax Lien will usually be filed at this time if the taxpayer owes more than \$10,000.

This will give the taxpayer the right to request a Collection Due Process Hearing, which is an administrative Appeals hearing with the IRS.

5. If no collection alternative is set up with the IRS, a "Final Notice of Intent to Levy" is issued by the IRS, providing the taxpayer thirty days to file a request for a Collection Due Process Hearing (the aforementioned administrative Appeals hearing with the IRS).
6. If the taxpayer fails to request the hearing the IRS can move forward with enforcement action (ie., begin levying the taxpayer's assets).

At any point during this process after receiving the Billing Notice, the Taxpayer could contact the IRS and begin working on a collection alternative with the IRS. Unfortunately for them (and fortunately for us), most tend to take the "ostrich approach" to tax resolution, which is to ignore it until the IRS is literally seizing money from their bank accounts. Now they need a trained representative to help them.

The Types of Services You Can Provide

The most common types of services, and some of the key issues, are the following:

- Bookkeeping
- Forensic accounting

- Tax Return Preparation
- Offers-in-Compromise
- Installment Agreements
- Uncollectible Status
- Transcript analysis
- Tax Liens
- Tax Levies
- Penalty abatement
- Challenging assessed taxes
- IRS Exams
- Appeals
- Resolving Payroll Tax Issues
- Sales Tax
- Criminal Tax Investigations and Prosecutions

There is a wide variety of services we can provide to taxpayers struggling with tax issues. In fact, when you do this long enough, you will find that you have a certain affinity for some types of work and not others. This will ultimately drive your marketing. Why market for services you do not want to provide?

So, next, where do clients come from?

Chapter 4

Where Clients Come From

Potential clients are everywhere.

They are in your church, your kids little league, and probably even in your family. People do not tend to broadcast that they have tax problems, but we know that between 25 and 35 million taxpayers do. That is, almost 1 in 6 taxpayers that have a problem. It could be that they have not filed tax returns, that they filed and did not pay the balances, or a combination of the two. Either way, there are plenty of them out there for you, me, and a whole lot of other tax reps as well!

"Great," you say, "So how do I get them?"

Do your current clients know you handle IRS audits?

Do your friends know you file and get Offers-in-Compromise accepted?

How about your network of attorney friends and financial advisors? Do they know you can save their clients from liabilities by handling innocent spouse claims and resolving the business's payroll tax issue?

I am guessing the answer is no. At least not yet.

Jeff and I built a law practice, a coaching practice, and a publishing company, and we spent very little on marketing. Our approach has always been marketing through the channels already available to us. Remember, no one can send you clients or refer people in trouble to you if they do not know you do this work. So, make sure they know!

Let me tell you a story...

My First Tax Rep Member

I am speaking for Paychex in their Connecticut office to 50 or 60 accountants when, at the break in my presentation, a CPA walked up to me and said, "I would pay you if you would teach me to do this."

Out loud, I said something like "okay" and went back to focusing on the talk, but that thought struck me. At the end of the program, I caught the CPA before he left and asked him to have lunch one day. The thought of getting paid to train and consult with tax pros fascinated me.

He and I had lunch a few weeks later. He explained that there was very little training in the tax resolution space and he really wanted to do that kind of work. He hated tax season and the grind of small returns for small money. I went home and started outlining a four-hour training program, which quickly became an eight-hour program. I then decided that I needed

to test it. How do I know it will be well received and make sense if I did not test it with a live audience? I decided to test it by inviting six friends: two CPAs, two EAs and two attorneys to spend a Saturday for eight hours in a conference room and go through the training course with me.

I bought them all lunch for their trouble. At the end of the day I asked for honest feedback. Most of the comments were good, with some suggestions for improving the program or making it clearer. Anthony, one of my friends in the room was inspired.

Anthony went home and drafted a letter that he sent to his almost 500 tax preparation clients. It was a one-page letter titled, "What to Do If You Can't Pay Your Taxes".

About ten months later, I emailed the friends who sat through the training and asked if they had worked on building this area of their practice and what the results had been.

Anthony's response says it all:

Eric, I took your advice and started my IRS representation practice after the course. Without any further advertising other than adding "IRS Representation Practice" to my sign, I added an immediate \$18,000 to my billings on just a few client matters. Sending a letter to my own 1040 clients added more than \$140,000 in income by the end of

the first year! Your workshop is straightforward and easy to follow, my only regret being that I did not do this sooner. Thank you!

Four years later, Anthony sold his 1040 practice and now only consults in financial planning and representation matters.

It was great feedback, but I wanted more assurance that the program would fly, so I decided to hold live workshops and charge for them: one in Massachusetts and one in New York. Both went well, the feedback was terrific, and I made money to boot.

Excited, I now spoke with a friend of mine who built websites, and we created a site to sell my recorded training product on IRS Representation. I sold maybe 50 of them, which was nice but not enough to really make any real financial difference. It dawned on me that to really make money with the training product, I would have to partner with one of the big players in the market: Intuit, Drake, CCH, or the NAEA. So I started reaching out to folks with whom I had connections in all of these organizations. One by one they shot me down.

- Intuit told me that "nobody had any interest in tax problems."
- Drake handed me to some marketing guy who didn't understand how anyone could make money resolving tax issues.

- The NAEA told me point-blank that it would compete with their live National Tax Practice Institute and wanted nothing to do with it.

CCH was the one exception. CCH's head of Mergers & Acquisitions listened to me pitch the program on the phone and told me he saw the opportunity. A week later, he got back to me after he confirmed my numbers with his contacts at the IRS, and I gave him access to the training program. Their team looked at it and told me they saw potential but would want it done on their system and recorded professionally. We signed a deal and made plans for me to fly out to CCH and record 20 hours of training.

After the program went live I started receiving phone calls from accountants all over the country. They had a case and could they refer the case to me?

"Why don't you handle the case and charge the fee?" I would ask.

"I don't know what I am doing," they would respond.

"I'll help you," I would tell them. They would take the case, and I would send a retainer agreement and charge hourly at \$375 an hour to consult with them, which was my rate at the time.

Two years later, one of the accountants I was dealing with suggested that I give him a set monthly retainer so that he could consult as needed. I discussed this idea with Jeff and we liked the idea of the monthly fee, ultimately settling on \$297 a month. It represented one hour a month, discounted 20%. I then emailed forty accountants with whom I was working with from the CCH program and asked if they wanted the same deal. Twenty-five signed up, and it was the beginning of Tax Rep Network.

We built a membership site to manage the on-demand training and materials for the professionals we are coaching, and the membership just keeps growing! Since we launched the site, the membership has grown to more than 400 members, 160 hours of on-demand training with over 800 pages of sample letters, checklists and documents for them to use, 40 hours of marketing training, three live conferences and a library of five books. We have a members' forum to enable the members to speak to each other and collaborate on cases, and we hold three live web sessions every month: one on marketing, one reviewing a case study of the month, and one which is an open Q&A. We've added the lien list database of all the businesses with tax debt to the member's area so they can target the companies for marketing. I never would have imagined having such a large coaching program and influencing so many tax professionals when I was standing at Paychex that afternoon years ago speaking.

The Three Marketing Truths

Here are my three "Marketing Truths" that I believe in heart and soul, and none of you will ever convince me otherwise:

1. Clients are everywhere.
2. You don't need to spend (much) money to build a monster rep practice.
3. Anyone can do IRS Representation and build their practice if I can.

I hopefully have explained why clients are everywhere just by running through the numbers above with you. They are literally everywhere; you just don't see them. There is a lot of science to this theory, but basically, we, as human beings, would be overwhelmed if we had to focus and take in everything around us all the time. To avoid becoming overwhelmed, our brain filters out a lot of what is going on around us. Once you focus on something, however, it enters your awareness and you begin to notice it, whatever it is, like a certain brand of cars or people with which you have some affinity.

You have probably experienced this phenomenon yourself. You go to look at a new car, and now suddenly see that type of car everywhere. It's not that there are suddenly more of that car on the road; they were there before you went and looked at the new cars on the lot. You just didn't notice them

because they were not a priority and your brain filtered them out.

I have found business success to be comparable. Once I began to focus my marketing and messaging, I suddenly had people come into my life whom I needed to meet, and I began to notice things and events in which I needed to participate. These people and events had always been there, I just never chose to focus on them before.

Once you get focused on IRS Representation, you will suddenly start to see opportunities and referral sources that you did not see before.

You Don't Need to Spend (Much) Money

I do not spend a lot of money marketing my practice. I don't need to, because (again) clients are everywhere. I just need to make sure they can find me. In the old days (2010 and earlier), I would rent a room and hold educational seminars, provide continuing education credits for accountants, and get referrals. I would pay to rent the room, pay for the drinks and hors d'oeuvres, usually \$2,500 to \$3,500 at a shot, but it always paid off with the work the attendees would send to me. Today, technology has made it way easier for us to reach our intended audience.

Now I do webinars for groups all over the country from my desk. No travel, no room rental, no drinks and snacks. I can do more marketing for much less. That said, we still do some live events. It's always good to go out and meet your audience, but I need to do way less of it. Plus, running three conferences a year gives me an opportunity to do just that while we raise money for the Green & Sklarz Foundation, the charitable vehicle Jeff and I started to help a number of charities we care about.

There are lots of ways to market yourself, your practice and your brand. But my advice, if you need to build from where you are right now, is to start with the easy stuff. In other words:

Make sure your existing clients and referral sources know you handle IRS Rep matters.

- Blog - it's cheap, it's easy, and if done right, it's like putting up mini websites for yourself all over the internet. If the internet is the "information superhighway" then each blog entry is the equivalent of a billboard along that highway.
- Videos (YouTube, TikTok, Instagram, whatever) - make a quick 30 second video of yourself talking about the blog entry you just posted. Then post on social media about the blog entry and the video. That one blog entry becomes 4-5 possible posts through

which someone can find you. Do two a week and in a year, you have 250-300 postings. Your audience will find you!

Now, is there other stuff you can do if you have a budget for it, like Search Engine Optimization, Pay-per-click, etc.? Of course, and we discuss these in the next chapter. But what I want you to know is that you just need to get attention for yourself, your brand, and your business, and it does not take a lot of money to do it.

You Don't Need Motivation; You Need Discipline!

I am sure you have noticed, but nothing I have said should strike you as genius insights. It is very simple and straightforward: do things that get you noticed, make sure you know what you are doing, and then get up every day and do it. It's simple to understand, but not always easy to do.

Why is it not easy to do? Because you need to do it consistently. It's like getting into shape. You won't get into great shape going to the gym one day for eight hours. In fact, all you will probably do in that case is hurt yourself. How do you get into great shape? You get up and go to the gym for 45 minutes, day after day after day. It is the consistent effort that drives you toward your goal, not the one day you were super motivated.

Let's apply this to your practice.

You have a goal. Currently, you make \$150,000 per year and your goal is to make \$500,000 a year. When you crunch the numbers, you will need \$250,000 above the \$500,000 take home pay to cover the overhead and staff. So, you need to collect at least \$750,000 per year. Your current book of business generates \$400,000 per year, of which you actually collect \$360,000. That is 90% of the \$400,000 of billings you and your staff generate. So how do you go from \$150,000 to \$500,000?

First, why are you only collecting 90%? No tax return should go out the door or be filed without payment, so I would immediately focus on what is going on with collections. Most of my Tax Rep members have this experience and realize they have some clients two and three years behind in payments. With some effort and systems in place (ie., clients are required to pay their bill when the return is completed via Credit card link sent to them before anything is filed), we can push that 90% to 98%. You are now making \$182,000 per year, just by collecting on the work you are already doing. That was an easy \$32,000 raise!

Second, your rates go up every year. Yours, your staff's, everybody's. Why? Everything goes up – your rent, the software, your staff want raises, you want a raise, etc. Everything goes up, so why should your billing rate stay the

same? You go up \$25 an hour at least, your returns go up \$50 per return at least, etc. That \$400,000 of billings becomes \$450,000, and your income is now \$232,000.

Third, build on your book of business by drawing in more clients. Let's start with your current clients, who clearly like you, as they would not be clients otherwise. We start immediately:

- A referral program. Refer in a friend and get \$25 off next year's return for a new 1040 client, \$100 off next year's return for either a business client or representation case. You would be amazed what people will do for \$25 for each friend they can send to you! I know Anthony generated an extra \$140,000 this way without any additional overhead, but most members report being closer to \$100,000 over twelve months, so let's run with that. Your income should be closing in on \$332,000 at this point.
- Transcript monitoring for tax clients. For tax rep clients, and even for tax preparation clients, many clients would love to know that you have a Power of Attorney, will get copies of all notices, and can see if any audits or issues are triggered by monitoring their transcripts. We use software for this,⁶ and we charge \$500 per year to do it. I bet you can get 100 clients to

⁶ We use Tax Help Software (www.TaxHelpSoftware.com)

sign up. So, it's another \$50,000 a year to the bottom line with little to no work for it other than watching the daily alerts from the software.

By just informing your existing clients and network that you represent taxpayers in trouble and making your existing practice more efficient, you should be able to double your income. No need for expensive marketing campaigns beyond letting existing clients know that you do this. Just focus on being more efficient at getting paid before work goes out the door and keeping prices in line with the market. So, can you close the gap from \$382,000 to \$500,000? Yes, and I bet it can be done in under twelve months.

You will start by blogging, pushing your referral program, and starting the video marketing. Total cost should be around \$200 per year.⁷ Do two blog entries per week and you will have a monster marketing machine. You will probably be seeking another staff person by the end of the first year, because around this time, your mindset will change, and you will realize the money is not in your doing the work, but in selling the work. I know it sounds crazy, but it isn't. Getting my practice from \$120,000 a year to \$250,000 a year was a slog, but once I hit the \$250,000 mark, it seemed like the marketing hit a tipping point, and within a year I was at

⁷ The author spends \$199 per year for his Active Rain blog, but there are plenty of places you can blog for free.

\$400,000 and climbing. I hit \$1 million a few years afterward and have never looked back.

Now you must have the DISCIPLINE to keep going. I get up every day and do one of my marketing tasks - blogging, email, social media, something. It is just what I do, like going to the gym or showering. Motivation comes and goes, but it is the daily discipline that will help you motor your way to the financial success.

Chapter 5

How to Market You and Your Practice

The ways to market yourself and your practice are wide and varied.

I say “market yourself and your practice” because which one you market will really depend upon your situation. If you have your own practice, you market yourself and the name of your firm because you want them both to be well known for doing IRS representation, or whatever else you want to be known for. If you are at a large firm and are hoping to make partner or leave and start your own practice, I would market and build the brand for yourself, not the firm. You want potential clients and referral sources to know you and your name, not just the name of the larger entity. I do both. I market my firm, but I also market myself.

Assuming you are committed to growing your business and your income, how do you decide what to do to market yourself? As I laid out in Chapter 4, start with the easy stuff. It always interests me when I give a talk and someone in the audience comes up afterward and tells me they are inspired to build their business (good), they are going to get trained to do this like a pro by joining Tax Rep Network (even better),

and they are going to budget \$25,000 for marketing (what?). “No,” I tell them, “Do not spend anything. Start with the cheap and easy. When money is rolling in, we can look at other options and take your program to the next level. Let’s bootstrap this thing.”

So many folks get excited, or should we say “motivated” and begin to immediately plan grandiose marketing campaigns. No, no, no – stop! Before you spend one dime on anything let’s get the easy stuff locked down, let’s grab the low hanging fruit, let’s generate income. This approach is systematic and takes ongoing effort, or “discipline”. You create a marketing campaign that does not end - it never ends. I have several hours a week set aside for marketing. It is a standing appointment I keep with myself, and I will tell anyone it is my most important client. It is sacred and does not get cancelled or ignored. On extremely rare occasion, I will admit to rescheduling it because of a government hearing I could not reschedule or a major family event. But even in those instances, my marketing time was just moved, never cancelled. My and Jeff’s marketing does not end, and it is why the firm has never failed to increase revenues year after year. This ongoing, consistent marketing requires discipline, the one thing many people do not have. It is why if you can discipline yourself to do the simple marketing steps in this book, you can build the million dollar practice you want while

your competitors stay where they are wondering how you grew so big.

Marketing Options

As I noted above, there are various ways to market yourself, and I would recommend employing multiple approaches and tracking where clients come from. The order I would use for marketing techniques is as follows:

- **Your Website:** Understand that nobody gets clients purely from their website. Nobody. Clients will either get your name or see something you did and then they go check out your website. So the website is important because of the image it will give the person who wants to check you out. You **MUST** have a site that is professional, clean, loads quickly and imparts the message that you do representation and are the person to help them solve their problem. You don't need to spend a ton of money on a website, but you should have someone professional do it.
- **Your Clients:** Happy clients, or at least clients that like you, tend to be the best referral sources. Yet none of these walking marketing ads for your practice can send anyone for IRS rep services if they do not know you handle these matters. Make sure they know! Getting the word out to your clients is critical, and can be anything from an email reminder to a newsletter. Sending swag, if not too expensive, also works and is

far more memorable. We have used luggage tags, mugs, hot sauce, and calculators, to name just a few items. The key here is not to send cheap stuff which sends a horrible message about you and is a waste of money. Spend on quality swag and send it to a handful of your best clients at a time, rather than be cheap and be embarrassed. Better to send no swag than junky swag.

- **Your Network:** Similar to my comments above about your clients, your potential referral sources cannot send you work they do not know you handle, so making sure they are aware that you handle IRS Representation matters is critical. Again, getting a series of emails out on what is happening in enforcement and what taxpayers who have issues can do to resolve them demonstrates both expertise and sends a message that you are the person to handle these matters.
- **Newsletters / Client Alerts:** Newsletters have been so abused by firms that I honestly believe nobody pays attention to them anymore. Plus, it's a lot of work to write and send a newsletter, even quarterly. Can you outsource this? Yes, but it doesn't have the same feel as something you wrote. My recommendation is to send a one page "Client Alert", which is much more likely to be looked at once or twice a year. An Alert that you only send if something big happens, like a big

client win or an IRS announcement, will take way less time and money and have far more impact on your audience, as it's far more likely to be read.

- **Blogging:** I like blogging a lot. There are many reasons I like blogging, among them that it forces you to think about the subject and how to explain it to non-tax people, and it helps to establish you as an expert. Blogging can be used to increase Search Engine Optimization results for not just the blog entry itself, but also your firm's web pages due to back-linking to them, and each entry is like a mini advertising website for you. My advice to our members is to do what I did: two blog posts a week. That's eight per month, or one hundred by the end of the year. One hundred mini websites with your information, all hyperlinking to your website pages. Now take those and push them out to your social media channels, and that one entry has four or more places to be found. By the end of the year, you have 400 postings where you can be seen, and your expertise appreciated.
- **Social Media:** Whether you love it or hate it, social media is probably here to stay. Between you and me, I hate it. Unfortunately, it's a necessary evil, and I usually only post professional information about what I have going on that I want the public to see. I do this partly out of a concern for privacy, but also because it is really no one's business what my political views are,

where my wife and I are at that moment, or what I choose to ruin my diet with. This rule also prevents me from doing anything stupid like posting stuff that will just serve to tick off a portion of my potential target audience.

Why do I need to expend time, energy and brain cells fighting with someone on Facebook whom I have never met over what I think of what the president just did? Is this somehow going to help me achieve my goals? Nope. So I am staying out of it. As Alastor Moody in the Harry Potter series once said, “My favorite thing about your opinion is when you keep it to yourself.”

- **Speaking:** I think speaking is great, regardless of if it's in-person, on webinars, Youtube, or TikTok videos. Speaking on a topic forces you to really dig in and know the subject. It also gives you real street credibility as an expert in your field. Nothing has brought me more clients and work than speaking to an audience that chose to be there and is, therefore, clearly interested in my topic.

Speaking can also be terrifying for people the first time they have to get up and speak. I get that. In fact, public speaking has been reported to be the number one fear for people, followed closely by death.

The truth is that if you are giving a talk, there is a real possibility that you know the subject better than

anyone in the room. I think the fear comes from imposter syndrome, that somehow we will be exposed as a phony. Understand that you are not a phony. Just don't pretend to be someone you are not. For instance, I have given hundreds if not a thousand talks, and every now and then I get a question that I do not know how to answer. It's okay, just don't lie to try and fake it. The audience will see through that. It is inauthentic, and what audiences love most is the authentic you. When you come across as authentic and believe in what you are saying, you will impact the audience.

If you give a talk and a question comes up that you do not know the answer to, tell them. "I am not sure...good question...let me get back to you." And then actually do look up the answer and email that person. You will be a hero for the effort, and frankly much more respected as an expert who is honest.

The options for speaking today are wide. The best option is to speak for an existing group. You don't need to rent the room, pay for food, or anything. Just show up and speak. Professional groups are always looking for new faces to come in and educate them. Consider the groups around you and which ones will be good to approach. Some groups you should check out include local chapters of the National Association

of Tax Professionals (NATP),⁸ the state chapter of the National Association of Enrolled Agents (NAEA),⁹ the state Society of CPAs,¹⁰ local chapters of the Association of Certified Fraud Examiners,¹¹ as well as industry groups (like the local restaurant association). The professional organizations will often take care of the continuing education credits for the talk. If you host your own talk, providing continuing education credits makes it more attractive, so this is something you need to consider. For instance, at Green & Sklarz LLC, we do so much speaking for the accounting industry that it was worth while for us to become certified for continuing education for Enrolled Agents with the IRS and for CPAs with the National Association of State Boards of Accountancy (NASBA). We spend thousands of dollars a year on maintaining these certifications, but the fact that we can give credit is critical to our attracting our audience and the subsequent business referrals. A critical aspect of speaking is being able to grab your audience and get them emotionally invested in the

⁸ <https://www.natptax.com/Chapters/Pages/NATP-Chapters.aspx>

⁹ <https://www.naea.org/membership/member-center/state-affiliates/>

¹⁰ <https://us.aicpa.org/research/externallinks/associationsstatecpalinks>

¹¹ https://www.acfe.com/community/chapters/~/_link.aspx?_id=81D483E0F5824B0083B3BD7C7C7C4A6&_z=z

talk. That gets into storytelling, which I will discuss in more detail.

- **Marketing / Networking with Other Professionals:**

I mentioned your referral network, which is one of the best ways to get new clients. If you want to expand your new client list, how about expanding the network that feeds them to you?

Good referral sources include family/divorce attorneys, real estate attorneys, bankruptcy attorneys, financial planners, and accountants. I choose topics based upon my audience, so for instance:

- a. Talk to a friend who is part of the real estate section of the bar association, and put together a talk for the section at one of their meetings on dealing with federal tax liens;
- b. Arrange to do a talk with a friend who's on the executive committee of the family law bar and discuss tax issues in divorce, including filing status, Offers-in-Compromise, tax liens, and innocent spouse relief;
- c. Send out a Client Alert to our list of financial planners on an interesting case, and remind them that IRS issues can be dealt with if their clients are proactive.

The best referral sources are other professionals who like you and can refer clients. Those clients tend to accept their advice and are the most likely to hire you.

When a person is getting divorced, and my friend says, “You need to hire Eric”, they usually do so without question. A good goal is to work consistently on building that referral network.

Also, keep in mind that you now have two clients: the actual paying client and the referral source who sent them to you. Work hard to make sure the paying client is happy, and that you make the referral source look good! The only thing better than one good referral is many good referrals.

A last word on this: You will meet with people and give talks where it seems nothing comes out of it. It is NOT wasted time! First, it allows you to keep polishing your talk while you meet new potential referral sources or do the routine again in front of a room. Second, you never know when an attendee will suddenly find someone who needs your services. Sometimes I have coffee with a bankruptcy attorney who says “Gee, I have a client whose Chapter 7 will be wrapping up and they have payroll issues. Great, I’ll send them to you.” But more often than not, it’s just “Thanks for coffee, and I’ll keep you in mind.” Do not lose sleep over these times. You only need a few of each type of source sending you clients, so if you get three that like you out of every ten you meet, it’s fantastic.

I got my largest innocent spouse case ever from someone who I did not know but apparently was at a talk I had given ten years earlier. Ten years! I received a call from a woman whose husband was a partner at a very large accounting firm. He had died very suddenly and had hidden that they were bankrupt and had tax debt. How did she get my name? She said “My CPA [Joe Schmoe] told me to call you. You know him, right?”

I told her his name did not ring a bell. “Well, he heard you speak on innocent spouse in Torrington for the CTCPA, and he thought you were brilliant.” It had been almost ten years since I had done that talk, yet one attendee apparently had liked the talk and then suddenly found himself in a situation where his client needed us.

The lesson is you that never know where clients might come from. Networking is like the story of Johnny Appleseed. You just keep planting as much as possible and know that at least some of the seeds will grow to be beautiful apple trees.

- **Pay-Per-Click Ads:** These are those ads you see running along the webpages when you are online. Pay-Per-Click, or “PPC”, is an advertising model where the advertisers only pay for the actual clicks on their ads. In many ways, it is far superior than the old TV and radio model of paying to have your ads

broadcast and hoping someone interested hears it. Theoretically, you will only be paying for taxpayers who actually need your help, and not to just sending words into the atmosphere.

There are different forms of PPC, including display advertising (the ads along the side of the page) and paid search ads (the ads that appear at the top of your search engine results when you look for something). The result is that you can grab attention and pay only for those taxpayers in trouble, really focusing your marketing dollars. The problem is that you need a budget for running the ad campaign, and you are also bidding against competitors.

As a law firm, we do not do PPC, however, I did look into it a few years ago, and those national resolution companies were paying as much as \$35 per click! I would have had to pay more than \$35 just for someone to click and get to my landing page? No thanks!

Does PPC work? I have Tax Rep members who swear by it, but they are members who had an established business when they launched their tax resolution service, so budgeting \$1,000 - \$2,500 per month for marketing with PPC was not an issue. For those of you looking to build your income and not spend it on advertising, PPC is not a solution I would

recommend you pursue until you feel you have excess cash flow to reinvest into the business.

- **Radio:** Radio ads do work. In fact, I have one Tax Rep member who used ads on a local radio station and generated so much work so quickly they could not actually keep up. On the other hand, they were spending \$4,500 a week to run the ads, and you pay that upfront before the first ad hits the airwaves. Radio, like PPC and lien lists, all require a budget to run properly. These are not run for one quick week with the money then rolling in (usually). It takes running these campaigns for weeks and months to see the results. Hence, they are not techniques I use myself, and I do not recommend them for those building their practice. Will they work? Yes, if properly capitalized and run long enough, you will see results. It's just a question of how much you will need to spend and how long you will need to spend it.
- **Lien Lists:** The idea behind lien lists is, because the Notice of Federal Tax Lien is a public filing, you can use these to target taxpayers who have a tax problem. Makes perfect sense. What you do is purchase a lien list for the area that you want to target, and then start a campaign of letters in hopes of getting them to call your office, coming in for a consult, and becoming paying clients. I know people who utilize lien lists, and I know folks who sell programs for people to use lien

lists to target and market their services. They have all assured me that it takes on average five to seven touches before any of these people convert, and most won't. If you add up the cost of the lien list itself and the cost of sending mail to the list five to seven times to get some to convert, it's a decent amount of money for what is just a gamble that they will convert and become clients. There are easier ways to get clients while spending far less.

What I do like lien lists for is if you are trying to get a sense on how many taxpayers in that area may owe taxes. The lien list will give you an idea of the scope of taxpayer issues and your potential market.¹² So, obtaining the list is not a bad idea, and you can do this for free with the IRS itself.

The IRS extracts a list every quarter of all the Federal Notices of Tax Lien from its Automated Lien System ("ALS") database for businesses that owe money (not individuals) and makes it available to taxpayers and tax pros who request it in writing. We make this listing available inside our Tax Rep Members area.

¹² It is not a complete picture, as it will not include non-filers in the potential client population.

You can obtain the listing yourself by submitting a written request for the ALS database listing CD with a check for \$130¹³ to:¹⁴

IRS FOIA Request
Stop 93A
PO Box 621506
Atlanta, GA 30362-3006

¹³ The fee in 2022 is \$130. Check the program before you send the request to make sure you are using the current information.

¹⁴ <https://www.irs.gov/privacy-disclosure/automated-lien-system-database-listing>

Chapter 6

Make Yourself an Expert

So, Jeff and I leave our old firm after a fallout with one of our former partners. I won't lie. When we left I was panicking. For eight years I marketed the other firm. With two top IRS Controversy attorneys who had been around a long time. Who was I to go and ask for work? Don't get me wrong, I believe in being confident, even if you must fake it for a while, but you also don't want to be so stupid that you begin believing your own bullshit. So, there I was, panicking and running around speaking anywhere and blogging like a maniac.

I spoke for a big payroll company at their office to lure in accountants who would then see the operation and send clients to the company. I spoke for a small local forensic accounting club at 4:00 one afternoon on a karaoke stage in a bar with an audience of 20 people, one of whom fell asleep in his chair in the front row. I was not the greatest speaker when I started, but I discovered by trial and error that client stories keep everybody entertained. Law school type lectures do not.

I spoke with someone on the board of our Connecticut Chapter for the National Association of Enrolled Agents

(NAEA), and he was complaining about their last speaker. “The guy jumped all over the place like a monkey and made everyone nuts. He charged us \$4,000 on top of it, and we had to pay for his wife’s travel as well as part of the deal.”

“I have a great talk on IRS Collections – Offers, liens, levies, you know. I don’t charge anything because I view it as networking.”

He smiled at me. “You’re hired! Two months from now at our dinner meeting. You’ll have two hours.”

I must have spent ten hours preparing for that two-hour talk, which included three client stories that highlighted liens and levies. It made people laugh, and I was in. Someone at the dinner told me that they were recommending me to speak for the Connecticut Chapter of the National Association of Tax Professionals (NATP), because he was on their board, and he thought I had done a great job.

I ended up doing four hours for the Connecticut Chapter of the NATP, and after that talk, which also went well, someone came up to me and said, “You know, you really should put together a full day program. You’re great.”

Eight hours? That’s a long time to blab by myself. But worry turned to curiosity. I had been to some national controversy conferences that people I looked up to had created. The NYU Tax Controversy Forum, the UCLA Tax Controversy Forum,

the ABA Tax Fraud Institute. You get the idea. These were national conferences that drew in hundreds of tax attorneys. The firms that created them were serious players on the national stage.

"Wouldn't it be cool," I thought, "if we could create our own conference?" After a week of daydreaming about it, I decided what the heck, let's go for it!

I emailed the Connecticut NAEA Chapter board and said, "Hey, I am thinking of putting on a full day program in October. Eight hours of continuing education credits. It will be the New England IRS Tax Controversy Institute. Do you want to co-sponsor it?"

The response was, "October is bad because of the tax extension deadline, we don't have a budget for sponsorships, and enrolled agents do not do controversy, lawyers do."

"Okay," I responded, how about November, the week before Thanksgiving. No cost for the sponsorship, just provide the CE to the participants, and we will name it the New England IRS Representation Conference, sponsored by Green & Sklarz LLC and the Connecticut Chapter of the National Association of Enrolled Agents."

Two days later my contact emailed back saying, "We're in."

I now have a sponsor that will co-market the event and provide the continuing education credits to the participants. I mention this to an enrolled agent I do business with from Massachusetts a few days later and he says, “Why isn’t Mass Society involved?”

“Huh?” was my not-so-clever retort. I had never considered getting multiple organizations to sponsor.

“Can I bring this idea to our board? We are always looking for events, and at no cost to the chapter, our board members will love this.”

A week later, I had Massachusetts and Rhode Island on board as well. They apparently came as a pair. The only caveat: it needs to be someplace close to the Massachusetts and Rhode Island border. I had no idea what to do with that last one but my associate, Amanda, told us she would call Foxwoods and Mohegan Sun, the casinos in Connecticut that both border Rhode Island. She reported back that Foxwoods had space that would hold up to 200 attendees if set up classroom style.

Next thing I knew, I had a contract with food and beverage minimums and a hotel room block that we had to sell, or I had to pay for. I spoke with Jeff about this, who after listening to the whole story told me, “Just don’t lose more than \$10,000.”

A vote of no confidence if I ever heard one.

I started to realize that it would be best if I ran this like the American Bar Association Tax Section meetings, which was panels with IRS people and top tax pros. It's far more interesting than someone just lecturing, and most accountants do not get to see panel presentations, as their national conferences are all based upon lectures by one speaker. The problem is that I did not know many of the big players well enough to invite them to speak. However, it was not just me making the ask now, it was three state societies as well.

The IRS will not speak at private, for-profit events, so to make sure we did not lose the IRS as speakers we announced that all proceeds would go to charity and set up the Green & Sklarz Foundation Trust as a 501(c)(3) charitable organization.¹⁵

I started emailing some of the best speakers I knew through my ABA networking who had cache and would be draws. My email included that I was arranging this full day conference with the three state societies and would love if they would come and join the program. We would cover food and their hotel room. Unbelievably, they threw themselves into it and were beyond helpful.

¹⁵ <https://gsfoundationct.org/>

As a side note, for those of you who are not involved with the ABA Tax Section, it's an amazing group of practitioners who are not only excellent, but really embrace each other. I have never had an issue with running into egomaniacs at the ABA meetings – they are not tolerated. The colleagues I reached out to helped me pull off a terrific first year conference. Caroline Ciraolo, who I had just gotten to know and had no reason to spend her time and effort on this, offered to help me with my agenda and made suggestions for speakers that she then lined up for me. Frank Agostino, who I had met a few times when I was trying to pick his brain at ABA conferences, told me, “Of course I'm in! It's at Foxwoods, why not? Whatever you need.”

That was the ABA line you hear from others who are not only top of their field practitioners but also fantastic people: whatever you need.

“I'll get the party bus lined up,” finished Frank.

“The what?” I said stupidly.

“Party bus! Gotta have a party bus. I'll grab everyone in New Jersey and New York on my way up.”

“Uh...great,” I said trying not to laugh at the idea of Frank driving around in a party bus in Newark grabbing people off the street to drag them to a casino in Connecticut to hear about IRS enforcement.

“What’s going on Thursday night when we get there?” he asked.

“Speaker’s dinner,” said Amanda, who was sitting in on this call.

“Great! Very excited,” said Frank as he hung up.

“We’re doing a speaker’s dinner?” I asked Amanda.

“Yes, and you need to figure out speaker gifts.”

“Speaker gifts?” I asked.

“It’s a gift you give to your speakers to thank them for speaking.”

“No one has ever given me a speaker gift,” I said.

“You know those crappy plastic holders you come back with from organizations with their logo on them? Those. But we can do better than that. I found gift baskets that have all New England themed stuff.”

And we were off. On a whim, I called the President of the New Jersey State Society of EAs and asked about the conference. “Massachusetts, Rhode Island, and Connecticut are all co-sponsoring. No cost, just market the event. Do you guys want in?”

“What’s the tie to New Jersey? You know Eric, New Jersey is not in New England,” he said being rather snarky.

“Frank Agostino is co-sponsoring and he’s speaking. Frank’s from Jersey.”

“Love Frank. Okay, let me run this by the board.”

A week later he called back and told me that New Jersey had voted and was co-sponsoring the event. “One more thing, is there any cost for the party bus?”

“What?”

“Frank said you guys were getting a party bus.”

“Frank is making all those arrangements” I said.

“Great”, he said, “I’ll call Frank.”

A few weeks later, we were debating the cost of the event. I was getting cold feet and was slowly discounting the price because if we did not fill the room I would look stupid in front of these people. As Amanda and I debated the price, Jeff walked in and said, “We’re paying for a party bus to go to Atlantic City? A friend of mine just called about this.”

“No, Frank Agostino is bringing people up in a party bus from New Jersey,” I said.

“Why?” asked Jeff

“I think its a draw – come to the casino and conference in a party bus.”

“Um...okay,” he said turning and walking out of my office.

We eventually settled on an early bird special of \$169 per attendee, and a \$199 regular price. Starting on July 1st 2014 we opened registration. I gave two local talks where I pitched the conference, and then we did a bunch of email blasts.

By July 19th, it was sold out. I had held back 20 seats for the speakers and organizers and put the other 180 in the pool for sale. All 180 seats sold in three weeks! It was unreal.

I received a call shortly thereafter from Roger Nemeth, who is now a great friend but at the time was an acquaintance who offered one of the IRS Transcript software packages. He asked about exhibiting. “Exhibiting...where can we possibly put exhibitors?”

Amanda figured out a way to put them in the back of the conference hall. Roger then asked what the cost would be. I didn't have a clue. “Uh, how's \$400?”

“Sounds good,” said Roger. “And I am bringing Mr. Bill with me.”

Mr. Bill is Roger's dad who has been a great speaker for many of the NAEA national conferences. Roger asked if we would let his dad in or should he pay, and I told him of course he's in as our guest. "He'll bring Georgia with him," Roger added.

"Georgia who?" I asked.

"The Georgia State Society of EAs," said Roger. And he did. Because of Bill Nemeth, we had the Georgia State Society of EAs onboard as another sponsoring organization. Sort of odd, I admit, for the New England IRS Rep Conference, but at that point I would have taken any sponsor I could line up.

"Let's add a livestream webcast," suggested Amanda.

"You think we can?"

"Yes," she said. The Connecticut Bar Association had interviewed companies when she had worked there, and she suggested one they had liked. We ended up selling another 150 seats for the webcast.

If you cannot tell, Amanda knew way more about running a conference than me. When Jeff and I left and went on our own, we spoke with Amanda, who did conference planning for the Connecticut Bar Association, and she asked to come with us as our administrative assistant. She was technically our first employee, and her knowledge of how to run the show

was instrumental in the success of the conference and the firm.

As the conference grew, I approached the larger regional and national accounting firms with a proposition: come in as a platinum sponsor, and we will register all your tax partners and staff for the live webcast for free. What this did was help cement our relationships with these firms that send us work. We raised the attendance from 600 in 2017 to over 2,000 by 2019, and I raised another \$30,000 for charity. The IRS loves us for the size of the audience we bring, which helps us get the IRS speakers we need.

In 2019 we had just over 2,100 attendees between in-person and webcast attendance. The New England IRS Representation Conference¹⁶ is the second largest tax conference in the country and helped put me and Jeff on the national map. We spend a lot of money on our speakers for rooms, dinners, etc., so the conference has a reputation of treating its speakers better than any other conference, and there is usually competition for speakers to get into the lineup.

Every year we provide giveaways with our logo: umbrellas, travel mugs, hot sauce, luggage tags, whatever we can think of. It makes us memorable, makes the conference a very

¹⁶ <https://irsrepconference.com>

popular event, and has certainly been a driving force in our firm's growth from three people to 25 in nine years.

And the contacts at the IRS have proven to be invaluable at times!

The point? I created one of the largest tax conferences in the country, putting myself and Jeff on the national map and our firm on the national scene through grit, ingenuity and a little luck. Do you need to build a national conference to build your dream practice? No, but please do not ever email me to tell me you cannot do this. You can. You start building and building and then you start holding your own mini conferences and you make yourself into the undeniable king of IRS representation in your geographic area.

And you, like me, do not have to blaze a new path. Just take what has already been done by others and make it your own.

Chapter 7

Invest in Yourself

“You really think this is important?”

“Yes,” said John, “It’s career building and networking on steroids. You should do this.”

I was having lunch with my mentor, John Tannenbaum, who was convincing me to join the American Bar Association Tax Section and to get involved with the Closely Held Businesses Committee. This was before Jeff and I left to go on our own and build our own practice. I was trying to increase my practice at the firm with the two older former IRS attorneys.

“I suppose that means I will need to join the ABA?”

“Yes,” laughed John, “that would be a prerequisite.”

I signed up for the ABA and sent a check out of my precious limited funds to become a Tax Section member. I went to look at the hotel and registration for the May meeting, which John assured me was the big meeting. And it was. Over 2,200 tax attorneys pour into Washington, DC every May to attend. The IRS and Department of Justice attorneys come over and attend as well, so it truly is networking on steroids.

It’s also very expensive.

I was gritting my teeth when I saw the hotel costs and looked at flights from Hartford. The first meeting was free for new members, which was great, but I could not cover airfare and hotel, so I decided to fly in at 6:00 am and fly out at 7:00 pm. Long day, and I missed all the social activities at night, but even in the whirlwind of that day it was obvious this was the place I had to be. Everybody who was anybody in the tax world was there, from both inside and outside government. I went home determined to make sure I went to every meeting, and I agreed to be a subcommittee chair for the Closely Held Businesses Committee, like John had suggested.

The issue came up with my wife, who seemed less impressed with my reasons for why I had to be there. "How much is this costing us?"

I tried explaining how important it was, but she remained unconvinced. What this conversation did, though, was force me to seriously consider the issue. How do I make money with this? I assured my wife that we would make money from it.

Now don't get me wrong, in the long term it's been a tremendous investment in my career, but that's hard to swallow when money is tight, and you have four children. I needed it to actually make money in the "here and now" sense. What I decided was that there was so much new and good information, I would use it to generate business. At the

end of each day of a conference, I went back to my room (yes I started staying at the hotel) and I would draft blog entries and articles. They were extremely timely, but it helped me justify the expense of going.

Eventually, I began going to all the social events and trying to network. The committee that I really wanted to be a part of was the Civil and Criminal Penalties Committee. “Forget about it,” I was told, “They are all former IRS and DOJ, very clubby. You will never get to speak on their programs.”

I was a sub-committee chair of the Closely Held Businesses committee, but so what? The IRS and DOJ big wigs were all on the Civil Criminal Penalties programs. But then I had an idea.

I realized as a Sub-Committee Chair that every committee got pressured to put on Saturday afternoon ‘Section Programs’. Back then the conference technically ran from Thursday to Saturday at 4:00 pm, but generally by 2:00 pm Saturday, the place is empty, meaning no committee wants to do Saturday afternoon Section programming for an empty room. The ABA, therefore, forced them to. Each committee was compelled to put on a Section Program every few years at one of the three Tax Section conferences.

Why is this important?

It struck me that Civil and Criminal Penalties had the same issue. So, I approached the Chair of the Civil Criminal penalties committee, an esteemed tax attorney I sort of hero worshiped. He was a huge rainmaker for his firm, and just looked the part of the superstar lawyer. His name is Chuck Rettig, and as I write this, he is finishing up his term as Commissioner of the Internal Revenue Service. He was, and still is, a terrific human being.

So, I walked up to Chuck, introduced myself, and suggested we do a joint Saturday Section Program with the Closely Held and Civil Criminal Committees, and cover a topic I thought I needed to learn better, which was Employment Tax Fraud and Enforcement.

“We’re in,” smiled Chuck. “We know the IRS Chief of Criminal. If it’s good with you we can line him up and some other folks from our committee. Whatever you need.”

“Thanks,” I replied, blown away by just how nice he was. Remember what I said about the members of the ABA Tax Section? “Whatever you need,” is a phrase heard a lot.

I pulled together a program with the Civil Criminal Penalties committee that put me on stage with the Chief of Criminal Investigation and a bunch of terrific attorneys in my space, including Caroline Ciraolo. In fact, this is an approach I have used constantly since. I need to meet someone specific? I

want to get access to a certain person at the IRS? Pull together a panel at the ABA, invite them to speak, and in working with them on the program, bring them into my network.

Someone in the tax or accounting field doing something cool? Invite them onto the podcast or to do a webinar. Today this is all made infinitely easier with the social networking apps we have. What is critical, and what you need to take away, is that you can build your reputation and network by simply volunteering with your association to work on these things. Programming, comment projects, government liaison committees, whatever.

Are you a CPA? Why not get onto the IRS committee with the AICPA? Yes, you will be asked to participate and invest your time, but it helps the AICPA and gets you into the group that has direct access to the IRS Executives you want to meet. Offer to plan programs for the national conference. Offer to moderate those programs. Create programs on topics you want to learn and invite participation of the IRS and other experts you want to meet. Most professionals attending the national conferences are just drifting through the programs, the same way most people just sort of drift through life. Wake up, shake off the fog and recognize the opportunity you have laying in front of you.

Then make sure you send out emails and alerts that you are working with so-and-so at the IRS and presenting at the conference with them. Your network is impressed and it helps generate new clients.

If you are an Enrolled Agent, the NAEA has the same sort of committees. If you throw yourself in and use the platform that these organizations make available, you can get access to people most practitioners will only ever read about, and you help the organization at the same time. It's a win-win.

Do not be afraid to invest time and energy into your own career! It will pay huge dividends in your practice and, eventually, your bottom line.

Chapter 8

Your Board of Directors

No one builds a successful business alone. It takes a team to do it, and this is where you want to make sure you have a team on your side. To be blunt, my networking, speaking, the conferences and the coaching program - none of it happens without Dena, my wife, and Jeff, my partner.

While I was traveling, attending conferences, and networking, my wife managed to keep her full-time job and take care of our four children, a fifth if you count me, and Jeff kept grinding at the firm, keeping the wheels turning until I returned to focus on business again.

And Jeff does plenty of his own networking, traveling, and speaking as well. It's critical that we have each other's back while we are doing all of this. If Dena and Jeff were not fully behind me, my practice would not have grown as quickly or as big as it did. In fact, it might not have happened at all. So, before you head off to start this process, make sure the partners that need to have your back - life and business - are onboard with your game plan.

Now, in all honesty half the time Jeff and Dena probably didn't know what I was doing because I often had no idea what I was doing. I just knew to keep my head down and keep

plowing forward. I assumed things would just work out if I worked hard enough. It usually does. I have found the harder I work on building my practice the more luck tends to show up. Often lucky things show up when I least expect them.

Meet Sidney Kess

"Eric, I want you to meet someone."

I was at the CCH Users Conference when Joe Gornick approached me. At the time Joe was running a lot of the CCH webinars and on-demand training and played a critical role in their Users Conference. He had been one of the main players in helping get my certificate program off the ground. I assumed that if Joe wanted me to meet someone, it was important. "Sure," I replied as I followed Joe through the crowd.

Joe brought me over to an older gentleman sitting in one of the easy chairs speaking with several practitioners. It looked like he was holding court. When we reached the group, Joe looked at the man sitting and said, "Sid, this is Eric Green, who I told you about."

Joe then turned to look at me and said, "Eric, meet Sidney Kess."

If you do not know Sidney, it's because he was before your time, but Sidney changed the way we all learn. I think it's easier to allow his official bio to speak for him:

Sidney Kess, Esq., CPA, JD, LLM, Of Counsel, Kostelanetz & Fink, LLP, New York, NY is a nationally renowned tax expert and author/coauthor of hundreds of tax books on financial and estate planning. Having lectured to more than 50,000 practitioners on tax, financial, and estate planning, he is one of the nation's best-known lecturers in continuing professional education. Mr. Kess is consulting editor of CCH Incorporated's Financial and Estate Planning Reporter. Mr. Kess was chairman of the advisory board of Tax Hotline and is a member of the PPC Tax Action Panel. He has edited a column on "Tax Tips" for the New York Law Journal for the past 43 years. Mr. Kess edits the AICPA's CPA Client Bulletin and CPA Client Tax Letter. He is Executive Editor of CPA Magazine. He has also written hundreds of AICPA tax workshops, audio and video programs, and is the recipient of the AICPA Distinguished Lecturer Award. Mr. Kess is often quoted in The Wall Street Journal, The New York Times, and other national publications. He was included in Accounting Today's "100 Most Influential CPAs in the U.S." for several years as well as CPA Magazine's "Most Influential CPAs in the

U.S." Mr. Kess was the National Director of Tax at KPMG Main Hurdman and a tax partner at KPMG Peat Marwick. Mr. Kess is the recipient of the AICPA's "Special Recognition Award" for his many years of contributions to the AICPA's continuing professional education program, received the 2011 AICPA Gold Medal Award for Distinguished Service to the Accounting Profession, which is the highest award in the industry, and was elected to the Estate Planning Hall of Fame by the National Association of Estate Planners & Councils for his distinguished service to the field of estate planning. The AICPA established the Sidney Kess Award for Excellence in Continuing Education to recognize individual CPAs who have made significant and outstanding contributions in tax and financial planning and whose public service exemplifies the CPA profession's values and ethics. Sidney Kess was the first recipient of this Award. Mr. Kess was inducted into the New York State Society of CPAs' Hall of Fame. He received his JD from Harvard University School of Law, LLM from New York University Graduate School of Law, and BBA from Baruch College.

Sidney, as I write this book, continues to give me advice on this book, my practice and frankly my life. What that bio forgot to mention is that Sidney also:

- Created the AICPAs' High Net Worth Conference
- Created the CCH Users Conference
- Had a book written about him by the AICPA called *The Sid Kess Approach, 60 Years of Best Practices in Tax, Education, Careers and Life*¹⁷

I knew of Sid but had never met him. That day I sat and had coffee with Sid, who mostly just chatted with me about me, where I was from, what I am doing and all that. He told me he heard great things about me, and we should really do things together. I was outwardly thankful and upbeat, but honestly questioned how much I would be doing with an 85-year-old man who used to write books and sit on the boards of organizations. However, my dad told me as a kid to "be nice to everyone because you never know who your benefactor will be."

In the years that followed that meeting, Sid would become one of my biggest benefactors and confidants and sits on my board of directors. Despite all my speaking and writing, Sid opened doors for me that I would have had issues prying open myself. His apprentices from years ago are now CEOs of the largest accounting firms, the boards of the AICPA and NYSSCPA, the Wall Street Journal, New York Times, and many other high offices.

¹⁷ <https://www.amazon.com/Sid-Kess-Approach-James-Carberry/dp/1937350460>

Today, as I write this book, Sid is 95 years old and still works every day. He helped me become a speaker for the AICPA, the NYSSCPA and get quoted in the Wall Street Journal. I had dinner with Sid once a month before COVID started, and since have been having a call with him instead.

Your Board of Directors

No one is an island unto themselves. I have had plenty of help, trust me. For my wife Dena's love and support, and frankly sucking it up while I was running around building my practice has been invaluable. Without her love, patience, and support none of this happens.

My law partner, Jeff, who has enabled my marketing and traveling, has also been. He continues to tolerate all the stupid ideas I generate with measured humor and serves as a reality check.

Professionally, I have mentors that have helped me in tremendous ways. John Tannenbaum who has counseled me on everything from joining the ABA, to planning for clients. His help up to and through his retirement was immeasurable.

Sid Kess continues to advise me on everything from dealing with the press, to selecting speaking gigs, to just dealing with family and life. At 95, he is as sharp as ever and is a large presence in my life.

Caroline and Frank, and a lot of other professional friends I have made at the ABA continue to be not only top practitioners but are constantly giving me feedback and support. In fact, one of the greatest pieces of advice I ever received was from John Tannenbaum when he assured me I needed to get involved in the ABA. He could not have been more right.

Your Board of Directors - those people who will help and mentor you - will come and go as your career advances. This is normal. But always make sure you are talking to people, and open to hearing their feedback and criticism in order to keep growing. I would not be where I am without them.

Serendipity

If you are not familiar with the concept of 'serendipity', let me explain it to you. Serendipity is 'the occurrence and development of events by chance in a happy or beneficial way.'¹⁸ In other words, events that happen by what seems to be luck and benefit you. The reason I bring up serendipity is that a few years ago I was discussing this idea with my wife. The gist was how lucky I was that things seemed too often to fall into place. In walking through this, I traced much of my luck, much of the great fortune I have had, to a single event.

¹⁸ The Oxford Dictionary

I was at a Connecticut Bar Association Tax section dinner a few weeks after the discussion of serendipity with my wife when I saw Iris Brown. Iris was a tax partner at a firm in Connecticut. I really only knew her through the local Connecticut Bar Tax Section. She had just announced she was retiring, and so this might be the last time I saw her. Knowing that, I walked up to Iris at the cocktail reception and said, "Have I ever told you how you changed my life?"

She stood looking shocked, blinked once or twice, then looked at her wine. I know she was thinking - you could see it etched across her face - "I've only had one glass I couldn't be drunk, could I?" After another moment's silence she said "Okay, I need to hear this."

I will now tell you the tale, but I will extend the series of events to the present. The original conversation with Iris took place back around 2009.

- When I first became involved with the Connecticut Bar Association, Iris saw my bio and suggested me for the Hartford Tax Club.¹⁹
- At one of the Hartford Tax Club meetings I sat next to a gentlemen from a large law firm, John Tannenbaum, with whom I struck up a conversation.

¹⁹ A group of tax partners from the various firms that met once per month for lunch. The group is long since defunct.

- After the meeting, John invited me to lunch and discussed my getting involved with the ABA.
- Later, I met with John as one of my rabbis. I was leaving a firm and felt like my career was going nowhere. John told me that two friends from his days at the IRS who I sort of knew through the bar association were looking for an associate. That led me to join the two former IRS attorneys' firm, and it would take my career in an entirely different direction because of John's introduction.
- At the ABA, I would get involved in the committee work and meet Chuck Rettig, Caroline Ciruolo, Frank Agostino and many others who would be massively influential on my career.
- Frank and Caroline would help me launch the New England IRS Representation Conference.
- At the firm with the former IRS attorneys I would meet a CCH sales rep, Marjorie, who was friends with the managing partner, and she would get me in direct contact with the head of M&A at CCH.
- The head of M&A at CCH believed in the idea and brought me in to develop the IRS Representation Certificate Program and to create webinars with them.
- By doing webinars with CCH and the certificate program I met Joe Gornick, who ran that programming for CCH.

- Joe Gornick would introduce me to Sidney Kess at the CCH Users Conference.
- Sidney Kess would introduce me to the AICPA, the NYSSCPA, Tom Herman at the Wall Street Journal and many others I cannot recall as I sit writing this.

I can trace the growth of my career and so much of my success to the one act of Iris recommending me to the Hartford Tax Club. Now do not get me wrong, I grabbed the opportunity and pursued it. I went to lunch with John, I got myself to the ABA and threw myself into participating in committee projects. I followed up with CCH, I agreed to speak for free at the CCH Users Conference to market my name and the new training product, etc. I was an active participant in my own success. But it was not just me.

My dad, as usual, was right. "Be nice to everyone because you never know who your benefactor will be."

If you are open to it, you will have benefactors come into your life. They may come from places you had never considered, but they will show up. When they do, let them in and hear what they have to say. I am not saying to follow them blindly, but consider the advice, look at the opportunity, and do not be afraid to invest in your own career.

Also, do not be afraid to pursue mentors. I asked some mentors for introductions to others. Chuck Rettig agreed to

help me with that ABA program idea I had and told me to reach out to Caroline. Caroline, to this day, continues to introduce me to all sorts of wonderful folks for the conference and beyond. I asked Sid Kess about the Wall Street Journal and he literally turns around while we sat at Baruch College and called over Tom Herman, the columnist from the Wall Street Journal and introduced me to him.

Last thought on this issue: the door swings both ways. You also need to be a good mentor and colleague to others. Those new folks whom you help will be pursuing and pushing their careers forward, and I am a huge believer in what comes around also goes around. The assistance you received needs to be paid forward by helping to others. And trust me, this investment will be returned, somehow and in some way.



The 2019 New England IRS Representation Conference at Mohegan Sun Hotel & Casino



The author with Donna Hansberry, Chief of IRS Appeals, NE IRS Rep Conference 2019



(From L to R), Attorney Caroline D. Ciraolo, Kostelanetz & Fink LLP, Attorney Nina Olson, Former National Taxpayer Advocate and Center for Taxpayer Rights, and the author, NE IRS Rep Conference 2019



(L to R) Paul Mamo, IRS Director of Collections, the author and Attorney Robert McKenzie, Saul Ewing Arnstein & Lehr, LLP, before taking the stage at AICPA Engage Conference, 2019



The author with the amazing Amy Vetter after presenting at AICPA's Engage Conference, 2019



Author speaking at Baruch College's IRS Conference, looked on by the godfather of Tax, Sidney Kess, 2019



(L to R) Attorney Sara Spodick, LITC Director, Quinnipiac University School of Law, the author, and Attorney Lisa Perkins, Green & Sklarz LLC, speaking at the 3rd Annual Criminal Tax Day, 2018



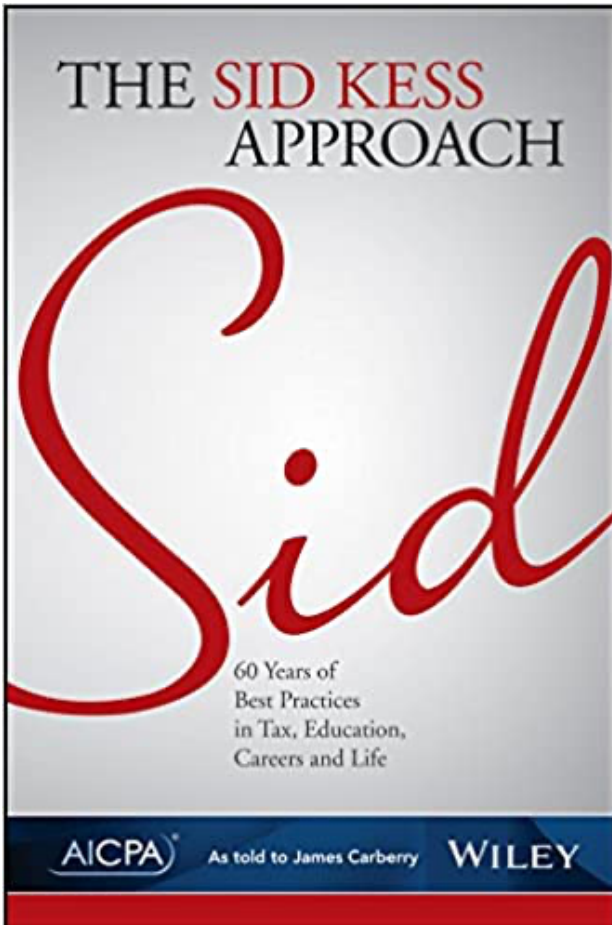
The author with IRS SB/SE Commissioner Mary-Beth Murphy, NE IRS Rep Conference, 2016



Author with Attorney Jeffrey Hellman speaking on Criminal Restitution in Tax Cases at the 2nd Annual Criminal Tax Day



The author and Sidney Kess at the NE IRS Rep Conference, 2017



The AICPA Book about Sidney Kess, by James Carberry



The Green & Sklarz Team at the NE IRS Rep Conference 2019, pictured are Jeff Sklarz (back) and (L. to R.) Amanda Evans, Nicole Golino, Lynne Polino, and Noelle Geiger



The author with Attorneys Caroline Ciralo and Frank Agostino, NE IRS Rep Conference 2014. In the background Attorney Megan Brackney is speaking with a conference participant.



IRS Enforcement Update Speakers at the New England IRS Rep Conference, 2019. Pictured are (L. to R.) Jeffrey Sklarz, Chief of Appeals Donna Hansberry, Chief of Criminal Investigations Don Fort, Director of IRS Collections Paul Mamo, and the author.



*Best
Chuck
or
Tam*

thank you for your friendship, your support and for sharing this journey with us

Your Truly Shutterfly
exclusively for shutterfly.com



Thank you received by the author from IRS Commissioner Chuck Rettig, along with the official IRS Commissioner Coin



Author with Tax Help Software's Roger Nemeth, NATP National Conference, 2019



The author at the 1st Annual Tax Rep Network-Tax Mentor Summit, Suncoast Hotel & Casino, 2021



The author and Attorney Noelle Geiger when Green & Sklarz LLC moved to its new 9,600 square foot office in 2018



Rachel Stannard holding up the “Rambo Eric” T Shirt



The author speaking at the American Bar Association's Tax Fraud & Controversy Institute in Las Vegas, 2019, with former National Taxpayer Advocate Nina Olson (pictured on the left) and Darren Guillot, IRS SB/SE Commissioner for Enforcement (pictured on the right)

Chapter 9

You Need to be Able to Tell a Good Story

It is now 3:00pm, and it's my turn to speak. It's a large accounting tech conference in Salt Lake City, Utah. Around 1,500 attendees for a four-day conference that focuses mostly on accounting technology, but to keep things interesting, and have some sort of tax offering, they keep inviting me back.

I am on the dais, I have the microphone, and the Power Point is up on the screen with the conference logo. My room has maybe 200 of the attendees. It's standing room only with attendees lining the back wall. The room moderator is talking about the attendance check-in they all should have done with their conference app and threatening attendees that if they don't do it now, they will not get credit. After everyone seemingly does whatever they were supposed to do, she tells me I am allowed to speak. "Uh, thanks" I tell her and then look out at the 200 people all jacked up on caffeine to avoid going to sleep after the greasy lunch of hamburgers and hotdogs.

But they are all here because of the title of my program: The Client Call: AKA How to Make \$1,700 an Hour. They may

want to go take a nap, but none will just in case I actually can explain to them how they can stop doing stupid \$450 tax returns and instead make real money, like \$1,700 an hour. The room is almost silent, so they are either ready for my words of wisdom or dead from all the fat and cholesterol at lunch. Either way it will not get any better than now, so it's time to begin.

"I am driving home on a Friday two months ago when my cell phone starts buzzing from a phone number I don't recognize. Now I don't know about you, but I don't want to buy an extended auto warranty from some digitized voice on a car I no longer own because my 16-year-old daughter drove it into a building. A truly thrilling tale for another conference. So, I ignore it and the phone goes silent."

"A minute later it's buzzing again. Now I am really ignoring it. Seriously, who calls someone at 6pm on a Friday who doesn't know them? I am late for dinner with my family, which is never a good thing to be late to on a Friday. The buzzing ends. Five minutes later, as I am pulling into my driveway, it's buzzing again. Same number. Now I start to actually worry, what is so important that someone I don't know is calling me in quick succession on a Friday at 6:00pm? The third time is a charm, and they leave a voice message."

"Mr. Green. I'm sorry to call you so late on a Friday, but my accountant Mary gave me your name and number. I am - let's

call him Nicholas Jones - and I owe the IRS around \$95,000, and they just levied my bank account and took \$5,300. My phone number is blah blah blah, please get back to me as soon as possible."

"So, now I know what the issue is and why someone is so desperately trying to get to me. Unfortunately, I was listening as I walked into my house so now, I am getting a less than pleased look from my wife. I put down my phone and focus on dinner and time with family.

After dinner, I go into to my home office and do a few things:

- Email Mary the EA and both thank her for the referral and remind her to not give out my cell phone number, but rather to please use the office line.
- Call Mr. Jones, explain that I got his message and that if he works with me quickly, we may be able to get his issue resolved and even get his levied money back. I can also do this for \$2,500 instead of my usual \$5,000, but only if he gets me everything I ask for. If I have to chase him for info, it's \$5,000. He quickly agrees and thanks me.
- I ask him to confirm that it was the IRS that took the money. He swears they did - yeah, right, famous last words. I told him it could have been the state, so please confirm it. While on the phone, he logs in to

his online banking portal and reads "Levy - US Treasury" so we agree it's the IRS.

- I send him the retainer agreement and link to pay the \$2,500. I also send him the Form 433-H, the checklist of documents we need, the Power of Attorney Form 2848 to sign, and a link to securely upload everything. All of this is now automated at our firm, so its quick and easy to send once a new client is entered into our system.
- I remind him that I need all of this by Sunday morning. I also remind him that I want any IRS correspondence, and I need copies of the checks he had outstanding against the money taken from the account if I want to try and get the money back."

(This is the part of the talk where I launch into how tax levies work, what the bank is doing and what we need to do to get this released.)

"Long story short, he pays, sends me the documents and the completed 433-H. I spend around 30 minutes reviewing it and email him back stating he shows an ability to pay \$1,500 per month on an installment agreement. Is that acceptable?"

"Two hours later he has responded to my email that \$1,500 a month is fine. On Monday morning, I call the IRS using

CallENQ²⁰ and speak with the IRS employee, who identifies herself as Ms. Radcliff, Id Number blah, blah, blah. I explain that the taxpayer has a 433-H signed and all the documents. We would like to set up a full-pay installment agreement for \$1,500 per month and have the bank levy released."

"She asks me to fax her the 433-H and the Power of Attorney, which I do. I hang out listening to the IRS Muzak for around five minutes when Ms. Radcliff rejoins the call. She agrees with the number but will need some back up, including the bank statements, his auto statement showing the lease amount, and his paystub. I fax all of that over, but while we are waiting, I asked her if the taxpayer qualified for First Time Penalty Abatement. She said she will check and puts me on hold again."

"Two minutes later she is back on and telling me she is inputting the Installment Agreement as pending, so no levies will be issued. She expects within a week to have the Installment Agreement approved, and a letter will go out to the taxpayer. She tells me she has released the bank levy, and asks if I would like a copy faxed to me, which of course I do. Also, he does qualify for First Time Penalty abatement, which reduced his total from \$98,375 to \$86,100, a reduction of more than \$12,000!"

²⁰ A service we use that gets us through to the IRS in under 3 minutes.

"I thank her, confirm there is nothing else I need as the levy release shows up in my inbox from her fax, and say my goodbyes."

"I call the client: he gave me \$2,500, I knocked \$12,275 off his IRS debt, recovered the \$5,300 levied, and he is all set. For me, I spent 1.5 hours and earned \$2,500, along with a raving fan in Mr. Nicholas Jones. If you cannot do the math, it's just about \$1,700 per hour. So how did I do this? I understood the process, I laid out our game plan, and I created an incentive for the client to hurry up and get me everything - \$2,500 instead of \$5,000 for my fee and recovering his \$5,300 if we move quickly. He moved quickly, so we could move quickly, and save the day!"

Not bad, eh? Now, compare this to the same topic told by most speakers:

"Good afternoon. I am Eric Green, a partner with Green & Sklarz, a boutique tax firm where I focus my practice on civil and criminal tax. Today we will be discussing Tax Levies - when does the IRS use them, how do they work, and what we can do to help our clients get out of their tax mess.

"IRC Section 6331 allows the IRS to issue a levy after the taxpayer has been given proper notice. A levy is literally where the IRS comes in and seizes the actual assets..."

Notice a difference between the two talks? It's not that the second opening is bad, but it doesn't grab you. The first one, where I start with the buzzing of the phone, grabs you because you know that feeling. You've had your cell phone buzz with those unknown numbers, and you have received the automated calls that your car warranty is expired. The audience is now interested in this case and what I did to make \$1,700 an hour. After I give that talk, I have attendees come up to me throughout the rest of the conference asking me, "So how did your daughter hit a building?" or "Did your wife feel okay about your walking in on the phone with work when you went and made \$1,700 an hour?"

The biggest part is they do not forget the lessons in that story because of the story. The story makes the lessons memorable and makes the talk interesting.

If you want to use speaking and video as a marketing tool, it is critically important to learn how to tell a good story. Take me as an example. I am middle-aged Jewish guy with a lisp and glasses who is also an ex-jock that struggles with his weight, and who, frankly, looks like an ex-jock struggling with his weight. Yet I am asked annually to speak at every major tax conference in the country. Why? It is not the super sleek exterior I possess. I have become a very popular speaker, in large part, because of my ability to tell a story that makes a dry tax subject interesting, and that people remember. It makes me a fan favorite, gets great ratings and has folks

asking to have me back. Anyone can stand in front of a room and blather on about tax levies, but few can make it fun.

It is the stupid client stories that make the talk fascinating and make sure the story sticks with the audience. It makes me approachable; it has accountants and attorneys sign up for tax rep, it keeps the phones ringing at the law firm. The same stories make the podcast as popular as it has become.

So how do you tell a good story, one that the audience will remember long after they leave the room?

The stories I tell, and that you will too, are generally designed to convince people to become clients. Why do they want to become a client? In fact, I think we can agree most people do NOT want to become my clients. So why do they?

It's the value proposition, meaning it is the value of what I can provide to them. When we talk about the value, it is not that I can complete IRS forms or that I understand the IRS enforcement process. They are not buying the completed IRS forms, they are buying what I can do for them:

- End the sleepless nights;
- Stop the family stress about the IRS debts;
- Clean up tax liens preventing them from buying that house they always dreamt of;

- Resolve the back tax debt for less than what the IRS says they owe, savings thousands of dollars or tens of thousands of dollars.

What is the value of ending the stress and bringing family peace? What is the value of peace of mind that there won't be any more IRS levies hitting your bank account or wages? What is a good night's sleep worth?

This is why people become my clients and pay me \$5,000 retainers. It's not because I know how to fill in those wonderful IRS forms. It's the promise that I will make the pain caused by the IRS go away.

A good story has three parts: What Was, Explosion, New Normal. Consider the story I started this chapter with when my phone was buzzing that Friday evening:

- **What Was:** The taxpayer owes money to the IRS but is sleepwalking through it because the IRS isn't doing anything right now, so there is no reason to react to it;
- **Explosion:** The IRS has now taken the \$5,300 from the bank account, so the taxpayer is now bouncing checks, and the stress and fighting with their spouse is about to start again on a Friday night. Their home life and financial life just became miserable. Sleepless nights and frustration are now going to become the rule of the day.

- **New Normal:** You, the tax pro, have fixed the issue. The IRS is resolved, the family is happy again, and the couple is now planning their purchase of a small home for themselves and their daughter. The IRS stress is gone and life is good again.

So, the point of your storytelling for potential clients is that by hiring you, the stress and financial nightmare will end, and they will achieve peace of mind.

Now I am careful to never overpromise what we can achieve for clients. There is nothing worse than over promising and then under-delivering. We do not want to be misleading clients about what can and cannot be achieved. The point is to let them know you can make the pain end. Because we can. It is just what that end looks like that is at issue. It could be a compromise of the debt where tens or hundreds of thousands go away like magic. It could also be a payment plan, like the one I arranged for that client buzzing me on that Friday night. I am usually not sure how things will play out exactly when I first receive a client's call, but I do know that I can fix the problem if the client will work with me.

When you speak, record a video, or do anything in front of an audience, remember, you want to grab them. The best way to do that, and make the tax lesson interesting, is to wrap it into a good client story. Don't have one? Steal one of mine. Hell, one of my favorite stories to tell - getting innocent spouse

relief for a woman whose husband hired a hitman to murder her - wasn't even my case. It was my former partner's case. I only assisted with it as he worked it out and got her relief. But who can resist walking into a packed room to discuss innocent spouse relief, looking at the drowsy accountants and starting off about the client whose husband was sitting in federal prison because he hired a hitman to murder her and her parents? Trust me: nobody is getting up and wandering out of that talk!

Focus your talk on the pain, the stress and frustration caused, and then work in the technical lesson, emerging on the other side with the sun shining, the taxpayer happy, and the counting up of the money saved, relief granted, and the fee earned (depending upon who is in the audience).

Storytelling can and should be one of your secret weapons and is a skill you should work on and turn into a superpower.

You MUST Be Obsessed

I am usually up between 4:00am and 4:30am, no alarm necessary. I head downstairs, grab a couple glasses of water to rehydrate with my vitamins and get the coffee brewing. While the coffee is going, I review my to-do list for the day to make sure my plan makes sense. Then I execute the plan.

A typical day, assuming it's not a gym day, has me going through emails from 4:30 - 5:00am, clearing out junk and responding to anyone I need to respond to. From 5:00am - 6:30am I usually write. My head is clear, the coffee is plentiful, and I often find I have fresh thoughts after a good night's sleep.

At 6:30am my kids' alarms go off and I make sure they are all up. I shower and get myself ready and at 7am they head to the bus, and I head to the office. I am at my desk by 7:20am, and now my work as a law partner gets going. I have already dealt with email, and now I start on client matters that have to get done. Lunch is either at my desk or in the conference room with one or more of my partners. I generally avoid any client calls before 2:00pm so work can get done. After 2pm I deal with calls and other issues that have arisen throughout the day. This way, when I leave the office at 6:00pm, I never

have the sense that I worked all day but nothing got done. My work was done by 2:00pm.

I hated the feeling, and maybe you have had this, that I would be ready to go home, exhausted, and be thinking, "I worked all day but have nothing to show for it."

How I Do What I Do

How do I get up every morning and go down to my home office and get to work? It starts with knowing what is important and deciding that I would rather get up and get after my goals than stay up late watching crappy television. This means that I am in bed by 10:00pm, lights out. I can manage all this through discipline, which I mentioned earlier in the book, but also by being laser-focused on my goals. I am obsessed with growing the firm, launching two more books this year, and building up the Tax Rep Directory²¹ to drive clients to my members.

But here is the truth: I am naturally lazy. I would prefer to do nothing else but watch television and lay around. I like eating crappy food, and I hate the gym. You may feel the same way. But I have particular goals - financial, health and family - and those goals have to drive my behavior if I hope to meet them. I also know work has to get done, and the days when I would

²¹ <https://taxrepdirectory.com/>

just sit and react to what happened are days that I was "busy" all day, yet, no work was completed and out the door.

For me, the critical components of achieving what you want are:

1. Have the dream;
2. Lay out the steps to obtain it- now it's no longer a dream but a plan;
3. Find the discipline to get up every day and execute the plan.

Tom Bilyeau, founder of Quest Protein and host of the podcast Impact Theory²² has said on multiple occasions he can out-do anybody at anything, given enough time. I think he is spot on. It's the same quote as the one that hung in my high school football locker room, just said differently:

Hard work always beats talent when talent doesn't work hard.

You should not rely on natural talent and motivation. You need to rely on discipline and hard work. They are what has created the law firm Jeff and I have built. In fact, if you go back and listen to Jeff's talks, he often comments that as a firm we may not be brilliant, but there is no way we will allow ourselves to be outworked. Same message.

²² <https://impacttheory.com/>

A lot of people, I think, do not really go after what they want out of fear; the fear of not achieving their goal(s) and looking foolish. They do not tell people their real goals, and they do not really pursue them. It's a way of protecting themselves from the pain of failure. There is no growth without pain, and no growth without failure. If you can do anything you want without struggling, you will never grow beyond where you are right now. My goals are bigger than I can achieve now, so I need to work and get to the point where I can achieve them.

My advice to you is to go big. It's better to fall short of a big goal than to just hit a mediocre goal when you know you could have done more.

The point is that you should set goals, be bold, and pursue them with passion and discipline. Do not be afraid of what anyone may think. It will be the opportunities you DIDN'T pursue that will haunt you at the end of your life more than the ones you did pursue and failed at.

Do you need to be as obsessed as me? Do you need to force yourself up at 4:30 am? No, you do not. This is a marathon, not a sprint. You need to set yourself up for success, and by doing that I mean create a path you can actually stay on. Do not set up something that is so rigorous that it will make you crazy and force you to abandon it. Rome was not built in a day, and neither does your dream practice need to be.

When we took over our current office space, the old firm left a lot of furniture behind. In what is now my office was a framed quote. I loved it so much it stayed until it fell apart, literally. The frame was broken and the quote was not sitting straight in the frame, so I retyped it, put it in a new frame, and rehung it. It's by Calvin Coolidge, the 30th President of the United States, and it says:

Press On. Nothing in the world can take the place of persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent.

But I Don't Have Time

Really?

Look, I recognize that there are some people who have so many obligations that they truly have no time, but for most of us, this retort nothing but a cop out. Everyone has time, it's just how you choose to spend it. You want more time? How about turning off the television, putting the iPad down, and shutting off the cell phone?

If you want to start a side hustle, make partner at your existing firm, or even leave and launch your own firm. You can

achieve it. My law practice started as a side hustle. While I built the law practice up, Tax Rep started as a side hustle. Jeff and I are building an online directory for our Tax Rep members to market their practices and doing the Accountant's Guides now as a side business opportunity despite running the firm and Tax Rep. I started what is now one of the largest tax conferences in the country as a side hustle. You have time. Don't believe me?

Let's say you wake up at 7:00am, head out the door at 7:45 to get to your job at 8:30. You then work until 5:30pm and get home around 6:30pm. You eat dinner with the family, and around 8:00 you settle in for your shows. Shut off the television around 10:30, head up and get ready for bed, lights out at 11:00pm. Pretty typical American day.

If you could launch your own practice as a side hustle, could you do it in 90 days if I gave you 60 hours? Most Tax Rep members to whom I made this proposal said, "Of course I could." Great, so where are you getting the 60 hours from? How about skipping television for two nights? What if you took those five hours of television you just cut out on two evenings per week and work on your side hustle instead? That is your 60 hours during that 90-day period.

Remember, I have not asked you to give up dinner time with family, three nights of television, or your weekends.

Put another way, given my schedule that I described at the beginning of this chapter, and I do this seven days a week, not five, and on weekends I usually can go until 9:00am before the rest of the family stirs. I am getting an extra 19 hours a week or 950 hours a year over my competitors. It would be 1,000 but honestly, I do take vacations. We all have to take a break.

Oh, by the way, Jeff keeps the same schedule.

With me and Jeff pouring almost 2,000 more hours a year into our businesses, it is going to be very hard for any of our competitors to catch up to us. Like Jeff said, nobody will outwork us.

Admittedly, I am also a little nuts, if you haven't figured that out by now. And in all honesty, I have my moments where I need the weekend off, too. It's hard to keep up the pace. But I know what I want to accomplish, and I am desperate to hit those goals. I also enjoy what I do. So you do not need to be as crazed as me, but try and figure out how you can free up some time to work on your practice. I bet you can find some time in there.

Obsessed? Really?

I understand that the word "obsession" has dark implications, negative connotations. A better word might be driven. The

point I am trying to make is that motivation will come and go, but it's your being driven to achieve your goals and disciplined to execute your plan that will carry you forward to wherever you want to go. And remember, there will be setbacks. There always are. Your goals are achieved not on the days that the sun shines, but on the dark, stormy days where things feel like, or actually are, going sideways. It is during these trying moments when most people give up.

Don't you quit!

Yes, things can go wrong, things can stall. But tomorrow is always another day, and it's best to not make major life decisions, like giving up on your dreams, at night when you are depressed and frustrated. Wait until the dawn when, coffee in hand, you can think through what is going on, reform your attack plans, and get after it again.

Even though I think he was a detestable person, given his anti-Semitic, pro-Nazi views, Henry Ford was a managerial genius. So, I would like to leave this chapter with another great quote you should carry with you from Henry Ford:

Whether you think you can, or think you can't, you're right.

Leverage, Leverage, Leverage

Jeff and I cannot generate the revenue for our practice by ourselves. We need a team of people doing their jobs to help us hit those goals. Now, in the old days, the business model was to have the practice shaped like a pyramid. The equity partners at the top marketing and finding work, then the income, or service, partners overseeing the associates below in the middle of the pyramid, and at the bottom was an army of staff, paralegals, and legal assistants.

And few ever dared to leave their firm to go elsewhere. It was viewed poorly if you felt you had to leave your current firm.

This model is slowly falling away. Today's practice model looks more like skyscrapers, with partners doing much of the work, fewer associates, and even fewer staff. The days of equity partners spending their time golfing and generating clients has gone away, as tax deductions made these expenses more costly to the firm, and nobody wanted to hire and train associates to have them leave. Attorneys now change firms often. So, creating lasting, well-trained leverage is difficult.

Enter Technology.

Tech Changes Everything

One of the greatest challenges we had in the IRS representation space was managing the inventory of cases. Which cases had signed retainer agreements, what deadlines did each have, who in our office was dealing with the case, did the IRS Power-of-Attorney get signed and faxed in, etc. It would take a full-time employee to manage the case inventory and calendar and make sure nothing got missed. It was a nightmare of spreadsheets and constantly running reports to make sure nothing was dropped.

No longer. Client Relations Management Systems now run all of these mundane tasks for us. We have automated our retainer agreements, our checklists going out to clients, even the booking of consultations and payment of fees. We have reduced our intake time on a new case by at least 30 minutes. Given that I sometimes open 10-20 new cases a week, that is a lot of time and money saved.

We created the Tax Rep App²³ to automate the marketing and follow-up with prospective clients and are expanding this to include automation of the monthly follow-up with tax preparation clients so they get all the critical filing and other reminders they need.

²³ <https://rapidfunnel.com/getting-started/tax-rep-network/>

There is no reason you cannot automate almost everything. Client signup and intake can all be completed and flow into your software to prepare the documents. Secure portals are used for the uploading of documents. Optical Character Recognition (OCR) software can read the client documents and drop that information into your tax rep software. E-Fax allows you to fax-file the information with IRS personnel without printing, although the IRS is beginning to accept information by email. Online back-up makes the old-fashioned filing cabinets obsolete, so office space can be reduced. Our office is becoming sleeker each year, and given the cost of office space and the impact of people wanting to work remotely, I believe the office of the future - my office of the future - looks drastically different than it does today.

Setting Up Your Own Office?

Years ago, the advice was that your office had to send a message about who you were, so it should be in a fancy building, with upscale furniture, art, etc. You wanted an expensive office because it relayed the message of quality to clients. That advice has given way to more practical considerations. Unless you plan to pursue and land Fortune 500 clients, I would not waste a dime on trying to impress potential clients.

Now if you do come to Green & Sklarz, my office is comfortable because of how much time I spend there. I set

up my office around my lifestyle, and it reflects me, for better or worse. I do my podcast from there, record my webinars, meet my staff, etc. I wanted it to be a place I wanted to spend 80-100 hours a week.

If I were going to start my practice today, I would NOT put money into an office. It's dead money, meaning it is not money that will make you money. I would spend as little as possible and put my money instead into things that actually will make me money, like marketing and branding. You want to put your limited resources to work for you making money.

Here is what I would do to launch my own practice right now:

1. Set up my LLC. In Connecticut this would cost \$120 for the initial fees and \$20 per year for the annual report.
2. Get my errors and omissions insurance (malpractice), which can run \$3,000 - \$4,000 per year. Most companies allow you to pay this out monthly, so let's call it \$300/month.
3. You can get a cell phone for your business to keep your personal line personal. It's my advice. It's great landing clients, but text messages on Saturday night asking me to call ASAP are just annoying. \$50 per month.
4. Set up an E-Fax line so you receive and send faxes right from your laptop. \$20 per month.

5. I need a real copier/scanner/fax. I can lease one from Xerox for \$85 month with thousands of copies and scans included. Could you spend a few hundred dollars and just buy a multi-function machine at Staples or Amazon? Yes, but given the number of pages I have to scan every month, I am certain this machine would become obsolete in short order, so I would go for the professional machine.
6. New laptop with full Adobe and Microsoft office. Up front purchase of \$2,000.
7. Dual monitors and a universal docking station: \$500. Anything that makes you more efficient is worth spending on, and I cannot imagine practicing from my laptop's small monitor all day.
8. Power block in case of power surges to save the equipment I am investing in. \$100 up front.
9. Office: I have a home office I can work from. So for me I have no interest, zero, in leasing space and outfitting it. If you are launching your practice I would try and do this as well until cash flow allowed otherwise. I would find a company with space that offers virtual offices near you and use that. Regus and WeWork are two of many competitors in this space. What you need is a business location where clients can drop off documents, and you can book a conference room as needed. Regus offers a basic virtual office for around \$75 per month in New Haven,

Connecticut with an address that you can use for clients. Add on mail hold and scanning and it's around \$125 per month.

10. Website. I would have a professional site built for me, unless you are a web designer. Most sites I have seen where people have created their own site look like a site they created themselves, and it does not impress anyone. I know I told you to spend your money on marketing and not overhead, but I count websites as marketing because it is the public face of your practice, so I would spend money on this. I would not go nuts - no reason to - but a clean site that is mobile friendly and loads quickly with the basic SEO work done in the background is worth the money spent. Roughly \$2,500 for this up front.
11. Zoom or Microsoft Teams. You cannot use the free Zoom, as it limits the time, and some client meetings go past an hour. Given I have recommended you get the full Microsoft Office with your new laptop, I am assuming that you will use Teams that comes with it. If not, consider Professional Zoom, which will cost around \$15/month.
12. Access to a research library and tax news updates is critical, and the premium services I have looked at run around \$3,000 a year, or \$250/month.
13. THS Software for resolution work and transcripts: \$700 per year.

14. Active Rain blog for marketing: \$199 per year.²⁴

15. Training and support: Tax Rep Network Gold Membership is \$297/month²⁵

So, we are looking at roughly \$6,120 up front to open and get going, and ongoing monthly overhead of \$1,162 per month. That is very doable as a side hustle when the average OIC case is \$8,350. Three clients and your entire year of expenses is paid! Often these expenses can be deferred when you are starting out. For instance, you can do free research at a local law school, cutting the research cost to only receiving daily updates, and even most of the daily updates you can get for free from the IRS and Department of Justice Tax Division. Remember, we boot strap all of this. Keep your cash in the bank to spend on things that create income, like marketing!

If you are wondering about putting a CRM in place or payroll for the staff, none of that is necessary when you are starting your practice, and I would wait until you start getting overwhelmed. For instance, I did not have an associate for the first ten years of my practice, and I tracked all my cases in Excel for the first 20 years. Is it nice to have? Sure. Necessary? Nope.

²⁴ <https://activerain.com>

²⁵ An obvious must have for anyone doing representation today!
<https://TaxRepLLC.com>

Spend money when you need to, and you can always add things as you go, when the expense is justified by the revenue and cases coming in.

Pricing Your Services

One thing you need to understand: IRS representation services are a specialized area of practice, and carry a higher fee than, say, bookkeeping. In other words, for accountants, add \$100 an hour to whatever your accounting hourly fee is. If you were \$175 an hour when you picked up this book, your IRS Rep services are charged at \$275 an hour.

And at that rate, you are dirt cheap.

I get so many questions about pricing our services that I thought it would make sense for me to answer some of them here, in question and answer format.

1. Isn't this service part of the 1040 preparation fee?

Not unless you are charging \$10,000 for your 1040s and your engagement letter specifically states that the fee covers any and all representation. These situations usually arise out of factors completely beyond your control, including:

- The IRS randomly selects the taxpayer for an exam;
- The IRS adjusts the taxpayer's return for information you never received
- The taxpayer chose not to file and pay on time

None of these are your fault. It is the taxpayer's issue, and they are now asking you to spend the most precious thing you have, your time, to help them. That is, a new engagement and a retainer will be obtained (see below on retainers) and the hourly fee is \$_____ (again I recommend \$100 above whatever your normal hourly fee is).

Now what if it is your fault? If you make a mistake and it causes the taxpayer to have an issue, then, as a professional, I believe you have an obligation to try and fix it, no fee necessary. Hopefully, that is a situation that almost never arises.

2. Do you charge hourly or value bill, meaning charge a flat fee based upon what the service is worth?

It depends. When you are starting your practice you may want to consider hourly, as it is hard to lose money charging hourly. However, as you get more experienced, flat fee billing starts to make more sense in many situations. For instance, I do a consult with the client for \$500 (see below on consults) and realize that what we need to do to pursue abating penalties of say \$30,000, and the information provided by the client during the consultations leads me to believe they have a good argument for penalty abatement. I would charge \$3,500, less the \$500 already paid, or \$3,000, and require all their documentation in

advance. The point? My staff can probably pull this together in 2-4 hours, so we are looking at \$600 - \$800 of billable time. I will review for 30 minutes (\$250), so total time spent should be worth around \$1,500. We charged \$3,500. Same with Offers-in-Compromise. As long as we get all documents before we start working on the Offer, at \$5,000 each, these are very profitable for us. Cases where I do NOT use flat fees are audits, payroll tax cases, criminal tax investigations, and innocent spouse cases, given that these are cases where it is unclear where and how they will end and how many hours will be required.

3. On Offers, I heard you say you charge \$5,000 but will only spend \$1,500 - \$2,000 of billable time. Don't you think that is taking advantage of taxpayers?

No, I do not, and here is why. We have spent years learning this specialized area and are now using that knowledge to resolve their issue and make tens of thousands, hundreds of thousands, or, in one case, \$15.3 million go away. This is the return on our investment of time and money to learn how to do this. I ask my Tax Rep members all the time: Why join Tax Rep if you won't make a return on the investment? You could also consider this: the taxpayers are adults, and they can feel free to save their money and figure this out for themselves. Let them read all they can on

the IRS website and review recent cases, or even buy my *Guide on Resolving Tax Debts* and the *Insider's Guide to Offers-in-Compromise*, and then handle their own case. They do not want to be bothered spending 30-50 hours getting up to speed and then dealing with the IRS directly and would rather make it our problem. This is the price it costs.

4. Do you charge clients a percentage of what you save them with the Offer-in-Compromise?

No, because it's a violation of the ethical rules that cover tax professionals who practice before the IRS, called Circular 230. The Circular 230 rules state that we cannot charge a contingent fee on tax matters with a few notable exceptions, including refund and refund litigation, obtaining tax credits for clients and legal actions and whistleblower cases. Note that IRS collection cases are not included in that short list.

Besides, why would you want to get paid as a percentage of the savings from someone who we just proved cannot pay the balance anyway? The likelihood of ever collecting on that amount is next to zero.

Consultations

I mentioned charging for consultations above, which is something many professionals do not want to do but I believe is critical for a number of reasons:

1. You need to do some work before you can actually give them a meaningful consultation;
2. The information we convey is worth a lot of money;
3. As your reputation grows for handling these matters, you need a way to weed out the tire kickers.

You Need to Do Some Work First

"Mr. Green. I owe the IRS \$100,000. Can we compromise the debt?"

The honest answer is, "How do I know?"

To answer that question, I would need all of the following information:

- How old is the debt? Were tax returns just filed and have ten years still left to collect, or is it old and only one year remains on the collection statute?
- How much money do you make?
- Are you married? Do you have kids, and, if so, how many? Two or twelve?

- Do you have assets that have equity, or are you broke?

Get the picture? I cannot tell someone if they can do an Offer-in-Compromise without going through the Reasonable Collection Potential analysis, which takes time and documents. This is the difference between an accountant throwing everything at the wall to see what sticks, or a Tax Rep master who will do the analysis and then look for opportunities to minimize the Offer and get it resolved for a lot less.

This takes time and effort, and we charge \$1,500 to do the analysis. To avoid frightening off potential clients, we explain that we charge \$5,000 for an Offer-in-Compromise. If we do the analysis and determine they are an Offer candidate we charge the \$5,000 less the \$1,500 they already paid, so just an additional \$3,500. We close almost every potential client that calls us. They appreciate the honesty and that we are not just taking \$5,000 without a game plan of what we can and cannot do, like the national companies on satellite radio late at night.

The Information We Convey is Valuable

Nearly 58% of Offers-in-Compromise filed are not accepted. Let's use the example above, where someone calls who

wants to compromise. If we do not do the analysis, we just take \$5,000 and file his Offer based on the collection information forms and the Offer is rejected. We then charge another \$5,000 to take the same losing Offer to appeals (it's usually what the national companies do). Now the taxpayer, who is already financially behind, is an additional \$10,000 lighter, has tolled the collection statute from running while the Offer is pending, and is no better than when they walked into our office.

However, what if this happened:

- We charge \$1,500 and receive all of their financial information
- We determine that they owe \$100,000 and have nine years remaining on the collection statute
- They show an ability to pay \$2,000 per month from future income and have an IRA with \$10,000 in it. This means they could pay the \$100,000 down to \$93,000 from the IRA (\$10,000 less the \$3,000 for the 10% penalty and income taxes), and then can full-pay the balance through an installment agreement of \$2,000 per month for 45 months, well within the nine years remaining on the collection statute.
- Instead of just taking the client's money to file an Offer that is doomed (a taxpayer cannot get an Offer-in-Compromise if they show an ability to full-pay), we review the financial information and notice that the

taxpayer, who is self-employed and divorced with two children, has no disability insurance, health insurance, or life insurance.

- We note the client has not made any of their 2022 estimated tax payments, and so is not in tax compliance.
- We have the client cash in their IRA, withhold the \$3,000 for current 2022 taxes and pay in the \$7,000 as a first quarter 2022 estimated tax payment. They are now in compliance.
- We have the client get health insurance (\$800/month), disability income insurance (\$250/month), and term life insurance (\$100/month). They need the insurance coverage, and it will help them to resolve the tax debt.
- Now the client owes \$100,000, has no available equity in assets (IRA was used for the estimated tax payment) and has future income of only \$850/month. With only nine years remaining on the statute they can only pay \$91,800 within the collection statute. Because they cannot full-pay, their Offer is twelve months of future income, or \$10,200.

We just reduced the client's liability by \$90,000 because we took the time to do the analysis and understood the rules. Is that worth the \$1,500 consult fee? Is that worth the \$5,000 price tag? Of course, it is - it is a no-brainer of a decision. That is why we charge for consults, and that is why we make

the money we make. It's not rocket science, but it takes training and expertise, and it's why we are worth every penny we charge plus!

As Your Reputation Grows

I do not need to do much marketing anymore. Locally my reputation for handling complex IRS issues is well known, and the phone just rings. If you focus and put in the time (i.e. discipline) then this will happen to you, I guarantee it. The problem becomes when the phone just rings with people who want to "just ask you something quick." Now you are working all day to get nothing done AND not get paid. A terrible combination in my mind.

Oh, and those "clients" who just called quickly will hold you responsible when things do not work out from what they think you meant during the quick phone conversation.

The consultation fee weeds out the tire kickers. When I say tire kickers, I mean the people who want to just get free information and have no intention of paying or hiring you. As I have already said, we will be conveying extremely valuable information.

The way this works in my office is that callers cannot get directly to me. My phone is on permanent "Do Not Disturb" and all incoming calls are routed to my assistant. She will

take the information and email it to the group: who the person is, what the issue is, and how much the issue is. If we choose to accept the engagement, we will set up the consult and we charge the consult fee: \$500 for a technical consult, \$1,500 for an RCP collection workup. If they do not want to pay, that is the end of it and no time was wasted on my part.

Do not get me wrong, we take plenty of pro bono cases from the low-income taxpayer clinics ("LITC"). My law partner runs one of the low-income taxpayer clinics in Connecticut and I am great friends with the Director of the other clinic. As a firm, we are happy to do pro bono work for people in honest need. What is critical here is that we like to choose our pro-bono work, not have it choose us.

The consult will prevent you from wasting time with tire kickers. And if you do run across someone in honest need, you can choose to help that person for free, but you will do so with eyes wide open.

Retainers

Tax resolution work is not like a tax return. With a tax return you can do work, and if the client does not pay your bill you do not have to hit the e-file button. With IRS representation, on the other hand, the client shows up and often needs you to file a Power of Attorney and get involved immediately. We therefore work on retainers.

A retainer, if you are unfamiliar with the term, is money we take up front to start work that will cover our time. For instance, you will see in the pricing menu I gave you that we charge \$7,500 as a retainer for a new innocent spouse case. The reason is that there is a lot of upfront work that must be done, and I do not like doing the work to find out later that the client decided to not pursue it, and now I am out my time and money.

We take the retainer, we hold it in a separate account, and when we bill for our time, we collect against the retainer. When the retainer is exhausted, we may or may not ask for more depending upon how much more time I believe we will need to spend.

A retainer makes sure the client is serious and we can move forward knowing we will get paid, at least up to the amount of the retainer. If you have never worked with retainers before I highly recommend you consider using them.

Sample Pricing

I am asked so often about our pricing that I created a sample menu for my Tax Rep members and keep updating it each year as we update our prices. You should consider these prices as guidelines. I do not always stick to them. It depends upon the case and complexity. For instance, that \$15.3 Million penalty we had abated was part of an IRS collection

case where I had to take over, forestall a threatened levy, put together the case for the abatement, and get it filed in about a week. It was a huge undertaking, and the taxpayer was worth almost \$1 billion but was highly illiquid.

I charged \$25,000, not \$3,500 or \$5,000. It's called value billing. What was it worth for me to drop what I was doing and reassign work to run to New York to meet with this client on an emergency basis in the middle of a collection matter that had turned extremely nasty, basically because the large firm attorney handling it before us took to insulting the IRS Revenue Officer, including about the meager government pay? Oh yeah, trust me, I knew this was going to be fun.

In the end I calmed down the Revenue Officer, we made an arrangement and thankfully the client sold an asset he had been trying to close and paid off the entire nearly \$100 million balance. We filed for penalty abatement; it was denied. We went to Appeals who agreed and abated it in full.

My point is that these are guidelines, not numbers carved in stone. We have taken in taxpayers renting an apartment who are public employees and have done their offers for \$750. Remember the story about the call on Friday night and we resolved it by Monday for \$2,500? It is your practice, and you get to do what you want, but if it helps give you some direction, here is our current pricing menu.

Sample Pricing Structure

- Consultation – Technical \$500
- Consultation and RCP Analysis \$1,500
- Consultation and Transcript Analysis: \$1,500
- Streamlined Installment Agreement: \$1,500
- Regular Installment Agreement/PPIA: \$3,500 retainer
- Offer-in-Compromise: \$5,000 flat
- Offer appeal: \$2,500 retainer
- Innocent Spouse: \$7,500 retainer
- Innocent Spouse Appeal: \$2,500
- DATL/Audit Reconsideration: \$3,500

(plus all exam work)
- IRS Exam: \$7,500 retainer
- Penalty Abatement: \$5,000 retainer

Walking Annuities

“Eric, don’t think of them as stupid people, think of them as walking annuities.”

— Attorney Robert J. Percy

Once upon a time, I was given a client by my senior partner. This husband and wife owned a construction company, had managed to get behind in payroll taxes, and owed the IRS around \$450,000.

As background, there used to be four Revenue Officers (ROs) in Connecticut to whom we would refer as the four horsemen of the apocalypse. They were the four most difficult, aggressive collections officers you could ever meet. Our construction company owning couple was dealing with one of them. After many months of back and forth, sending inches thick packages and negotiating and arguing, we arrived at a monthly installment agreement of \$5,200 on the company and \$1,200 a month on the owners (for the Trust Fund Assessment against them both personally).

Four months later in June of that year, I received the stack of IRS letters addressed to the company announcing that the agreement was in default. I called the client, who explained

that they had made their payroll tax deposit one day late and had already paid the penalty and interest. Could I just get them back into the installment agreement? I contacted the RO who told me he did not have the case back, but he would absolutely NOT put them right back in the agreement. He would require a new collection package.

And so we began again. I get twelve months of bank statements, credit card bills, etc. and submit the package to the RO. I always review the back-up before I send it so I am aware of what the RO will see and get on top of anything I believe will become an issue that might need explaining. With a large construction company, the package was almost a foot thick, so I scrolled through it but not in great detail.

The RO did go through it in detail. He called me a week later and told me the taxpayers owned a boat which they failed to disclose. I responded that they did not own a boat. "Oh, yes they do, Mr. Green. I see marina charges, and I see restaurant charges out at Port Jefferson."²⁶

Unhappy, I hung up and then called the client and got the wife. "Do you own a boat?" To which she responded by

²⁶ For those of you not from Connecticut, Port Jefferson is across Long Island Sound from Connecticut and is a favorite area to boat to for restaurant dining along the water.

starting to cry. "Oh, here we go," I vividly remember thinking to myself.

She tells me between tears that they only wanted their kids to grow up like they did, fishing and enjoying the sound. It was a \$20,000 boat, they bought it in January and it sank in May in a storm. The insurance company gave them the \$20,000 back, so no harm no foul. I told them to email me the paperwork on the boat and the insurance claim.

The boat was not \$20,000. It was \$280,000 - the \$20,000 was only the deposit! Not only is buying a \$280,000 boat when you owe the IRS \$450,000 beyond stupid, but I know the RO is going to go nuts when he sees this. I leave walk out of my office and walk around the law firm grinding my teeth, snarling about stupid people when Bob Percy, seeing all this, comes out of his office. "Eric, we love stupid people. Stupid people make us a lot of money. They are going to fund your retirement and pay for your kids' weddings. Don't think of them as stupid people, think of them as walking annuities."

Walking Annuities

"Yeah," you're thinking to yourself, "but how often does that really happen, you know, with a boat and stuff. Once you solve these people's problems, you never see them again."

Wrong. My experience is that most clients never leave. The reasons for this are complicated, but I can tell you that the issues clients have that get them into trouble do not go away just because we solve their problem at that moment. Put another way, my clients are the same people when they walk out of my office as the folks with the problem who walked in. So, clients just keep coming back.

As an example, there is a painter Bob Percy helped twice in the 1990s, that I helped three times in the 2004-2012 range, and now Amanda has now helped twice since. He just keeps screwing up his taxes and coming back. In fact, the last time, he did not even respond to our email or call. After we emailed him with a copy of the notice we received asking him what was going on, he responded by mailing a retainer check for \$5,000. Now THAT is a well-trained client!

The point is that clients do come back, and there are many ways you can enhance the client relationship to ensure that they do come back. These include:

- Making sure clients are in your client database and hear from you;
- Tracking and following up with clients if there are changes;
- Helping your clients by offering to monitor their ongoing tax accounts.

Let's review these activities and I will explain how you can put them in place to make sure you are the first person your clients think about when they or someone they know has an IRS issue.

Your CRM

A "CRM" is a Client Relations Management system, and there are a lot of different vendors on the market. A CRM allows you to target messages to contacts in your database, and you want to be able to send them alerts, updates, and messages simply and easily. For instance, the sort of messages I would send to my clients include:

- Reminders about the quarterly estimated tax deadlines coming up.
- Make sure you file your return on time or have an extension filed.
- Concerned about a balance on this year's return? Click the link to set up a consult with us and let's discuss your options before you default on your agreement or void your Offer.
- Tax tips for avoiding penalties.
- Changes in the IRS collection guidelines that might affect them and make it easier for them to resolve their debt.

I think you get the picture. By reaching out and touching them electronically a few times a year, we are not harassing them

but they won't forget us, and often we do trigger consults and get paid to discuss where they are and if there are any new options for them.

Samples of these messages can include:

- Reminder that ___th quarter estimated tax payments for self-employed individuals are due 1/15, 4/15, 6/15 and 9/15.
- Remember, employees, to make sure your withholding is sufficient, so you don't owe taxes at the end of the year.
- Struggling with your existing installment agreement with the IRS? Contact us and let's do an analysis to see if you can modify it and pay less!
- Refer a Friend: Send someone to us for tax return preparation and get \$25 off next year's return.
- Refer a Friend: Send us someone who needs representation and get \$100 off next year's tax return!
- Reminder that the filing deadline and/or extension deadline is 4/15.
- Set up your year-end consult and let's plan to save you some tax dollars!

The goal is to keep in touch, make sure they come to you when they (most likely) have another issues, and also to remind them that you love referrals.

Alerting Clients to Changes

It is smart to be signed up for one of the news feeds that send you daily updates on the tax headlines. How do we justify the cost of these services? We use them to create client alerts, and let our clients know what has changed, and set up consults with them.

This service has many benefits, similar to the CRM messages. It keeps your name in front of clients and ensures they are thinking of you. It also prompts them to return to you, given that you are an expert on top of things, and so they will continue to use you rather than go searching for some other tax professional.

Transcript Monitoring

How do you create an annuity from your clients? You know, the ones you thought were one and done, never to be seen again? We charge to maintain our Power of Attorney on file and use our software to monitor their transcripts for any changes to their account.

As background, at the end of every case, we revoke our Power of Attorney and close our file. The reason for this is

because we do not want to babysit the client's account for free. I have a friend who had represented a taxpayer years earlier and suddenly received a threat to levy on the taxpayer. He called and emailed the former client and received no response, so he shredded the letter.

That former client did end up getting levied by the IRS and sued my friend, arguing that he should have filed the appeal or done something knowing the levy was going to happen. My friend ultimately prevailed but spent \$10,000 in legal fees defending himself. After hearing his story, we at our firm agreed that we should revoke and get out of the case so we do not get caught in the same situation.

When you, as a tax pro, revoke your Power-of-Attorney, it causes the IRS to send a letter to the taxpayer that you revoked your Power of Attorney and are no longer representing that taxpayer. This often has the effect of causing the taxpayer heart-burn, as they know you will no longer be standing between them and the IRS. So, clients began to call and tell us that they would sleep better at night if we did not revoke but would keep the Power-of-Attorney on file and monitor their account and the IRS letters. We decided that was fine, and we would charge our normal \$500 consult fee for this. Do this for a few years and pretty soon you will have 100 taxpayers paying you a total of \$50,000 per year to just monitor the account. That is a nice little annuity!

To do this properly you need software, and there are several competitors in this area. We use Audit Detective's Tax Help Software²⁷ to monitor the accounts and flag anything that has changed. To put it mildly, it's easy money for us, and also helps ensure that any client with an issue comes back because we are on top of their case. We already have a Power-of-Attorney on file, and the clients appreciate working with us.

"Okay," you're thinking, "but what about clients I hate?"

Do not offer them the monitoring as an option, just close their file and revoke your Power-of-Attorney. Work with who you want. The reverse of that is also true. Do not work with the people you detest. Just send them packing and hope they never darken your door again.

If they do show up again, either refuse to represent them, or if you do decide to take them back, increase the fee. I have no issue with a "pain-in-the-butt" fee for those people you know will be difficult.

²⁷ <https://TaxHelpSoftware.com>

What About Your Tax Return Business?

“Should I get rid of my 1040 practice?”

I get this a lot, especially from Tax Rep members who see their representation practice growing and begin to realize that doing 1040 returns is not a good use of their time. If you put the effort in and focus on marketing yourself in IRS Representation, you should start getting several cases a month. It is often not long before that "extra \$100,000" becomes \$250,000 and now you begin getting concerned as tax season is around the corner. How to manage your rep practice and the grinding tax preparation business?

You know that feeling. That stress that starts in the pit of your stomach that another tax season is coming, and you will need to start working 12-16 hour days for three months for clients you would rather not deal with. Even if you like your clients, it is still just a grind for \$400, \$500 or even \$700 returns. There has got to be a better way to put your knowledge to work for you that pays you \$400, \$500 or even \$700 an hour, instead of by return.

So, back to the question we started with: Should you get rid of your 1040 practice?

Do you want to get rid of it? Because you do not have to. What you DO need to do is get your arms around your practice so that it works for you, not the other way around. How do you do that? Here is what I recommend:

- Print out a list of every tax preparation client you have.
- Make sure that you have on that list what their fees are that they pay you.
- Print your receivable list.

Now find a nice afternoon, sit down with your favorite drink, and rank the clients from A-F. The As are excellent clients; you love working with these people and they always pay your bill. The Bs are good clients who do not bother you and generally pay on time in full. C clients are those who could be A or B clients, but you cannot really focus on them, and they usually complain about their bill or are slow payers. D clients are clients you would rather not deal with, and F clients are people you wonder why they are even still clients. These people owe you money and are so annoying they suck your will to live. They are the last ones to get you documents, refuse to go on extension, do not listen to you, and probably owe you money.

Let me say one thing before I suggest what to do with your tax preparation practice, and no, it's not get rid of it. Your practice works for you, not the other way around. If your practice is out of control, if your clients are slow payers or

don't pay, if your clients are time sucks on your life, you allowed the clients to believe that this is acceptable. Often, we are too busy doing the work to police this situation with the clients, and it seems to happen on its own.

This is why the 'get clients in cheap' approach to building a practice does not work. Cheap clients leave the moment your rates start going up. You should charge a fair rate from day one. Unfortunately, most practitioners do not do this and end up with a practice of lots of cheap clients they would rather not work with.

So, now let's fix it.

Step 1: Globally for all clients, fees for returns are paid in advance of any return being filed. This can be automated and must be automated, so when the e-file authorization comes back, the payment has been made as well. No payment, no filing. Nobody in tax preparation should ever have receivables. If you are going to start talking to me about your "monthly" clients, they had better be up to date with their monthly fees or their returns are not getting filed either. Monthly is only great if they actually pay.

Step 2: Collect whatever money is owed to you as soon as possible. When you have reached the point where you have collected whatever you can collect and are sure that is all you will see, fire the D and F clients. Immediately.

This firing does not need to be nasty. Simply send them a letter that, due to the growth of the practice and your own limits, you will be unable to handle their account going forward, and they need to seek a new tax professional. In other words, goodbye.

Step 3: All the C clients are going up in price. Significantly and immediately. If they don't like it, let them leave. The idea here is to turn your C clients into B clients.

Step 4: For the A and B clients, their fees go up every year too. I don't know where you live, but here at our firm expenses seem to go up every year. Our staff want raises, the rent increases, the software we use becomes more expensive, our research database fees rise, etc. So, assuming you live in the same world as I do, your fees should also go up. This coming year, everyone goes up regardless at LEAST \$25, and probably \$50.

I know that some of you are "white knuckling" the book at this point in a panic that I am about to destroy your tax preparation practice. Nope. In fact, the goal is to reduce the volume and increase the fees per client. With a little luck 25-30% will be gone, you will make more money doing less work, and will be working with the clients you actually want to work with.

A dear friend of mine here in Connecticut has almost 2,000 clients and has always complained about them. I suggested

raising everyone \$100 across the board. He looked at me like I was nuts and said that half would leave, to which I retorted "Good." Seeing my point he went back to the office that week and did just that.

A month later in March he is whining that despite raising his rates, almost no clients left him. "Okay," I said, "Obviously you did not raise your rates enough. Go up another \$100 next year and keep going up until at least 500 of the clients have left."

Either he would bring his practice under control, or he would at least make a lot more money for the chaos he accepted every year.

In short, your practice should consist of clients that you want to work with and who pay you fairly. If that does NOT describe the practice you have now, you need to fix that. Dump the clients you don't want, move the rest into the price range where they are, and start marketing for new clients who come in at a rate that pays you fairly.

Getting Started: The Game Plan

“The secret of getting ahead is getting started. The secret of getting started is breaking your complex overwhelming tasks into small manageable tasks and starting on the first one.”

— Mark Twain

So, you want to launch your \$1 million Tax Rep practice. Great... where do you start?

Excellent question! As always, you start at the beginning.

I am going to start you down the path that I know works because I followed it myself. The basic steps we are going to follow are these:

- Get your practice set up
- Build your skills
- Market yourself, your brand, and your business
- Set new goals
- Smash those goals
- Repeat steps 3 through 5

I also want to note that what I am going to lay out is not going to ask you to spend much money. My assumption is that you

are here to build a practice to make money and, accordingly, you do not have a lot of excess cash to throw at expensive marketing techniques. I have had a few Tax Rep members join who had very successful other practices, such as large tax preparation services and financial planning practices. They saw the value of adding tax representation to their portfolio of services and had the budget to start expensive marketing. Most members show up because they are struggling with the hours they work versus the amount of money they take home. Having thousands or tens of thousands to spend on a marketing campaign is not in the cards.

The approach I am about to lay out for you is the "bootstrapping" approach to making yourself into a Tax Rep expert, building a following, and creating an unbelievable practice that will be an ATM machine for you and a valuable asset that you can someday sell or transition to the next generation of tax pros. It takes effort - anything worth having does - but you will build your expertise while you build your machine.

Get Your Practice Set-Up

Go through the list of items I laid out for you in Chapter 11. Remember, you do not need to have every last item in place from day one. For instance, I did not get a CRM to track all my cases until I had been practicing 20 years. Until then, I

kept my client case inventory and status in Excel. My point is that you don't need to buy every bit of software when you start. Bootstrap it. In other words, wait until you get a number of cases, and you can justify the expense. Until then, Excel will work fine for the first 20 or even 50 cases.²⁸

Same with much of my law library. I did not buy most of it until I could justify it. My criminal guidebooks, the ones that run \$1,200, were bought after I received my first \$25,000 retainer for a criminal tax case. Until then, I would go to a local law school library to read through sections of them.

Make sure you have what you need immediately. The rest can be added as you go.

Building Our Skills

If you are new to IRS Representation, you need to start learning. There are many places you can start taking courses and learn IRS representation skills. I have a series of guidebooks on handling IRS Rep cases.²⁹ My Tax Rep Network³⁰ coaching program offers not only live and on-demand coaching, but also live consultations with us. I am certainly not the only game in town (though I am the best if I

²⁸ Just make sure the file is backed up someplace in case you or your staff accidentally delete it. Yeah, I did that too...

²⁹ <https://TGPublish.com>

³⁰ <https://TaxRepLLC.com>

do say so myself!). Wherever you choose to get your skills, you need to start building them.

A frequent question, of course, is when are you ready to start taking your own cases?

"Now" is always my response.

I would not wait until you feel "ready", because you will probably never feel completely ready. But it takes time to market, and I would start your marketing immediately while you take courses and read up. The marketing helps this. For instance, let's say you are interested in innocent spouse cases. You know they are complicated; you find the topic interesting, and they are lucrative matters - you can see that just from the sample price list I gave you. So here is what you do:

- Find articles on Innocent Spouse
- Read the IRS guidance on the issue
- Start blogging on the topic
- When a client finally calls with an innocent spouse case because you have done the reading and blogging on the topic, you probably know more than 95% of the accountants practicing about innocent spouse cases. Sign the client up and start working on the case. If you are a member of our Tax Rep community, head into the members area, watch the

four hours of training we have, download the Innocent Spouse Checklist and our sample letters, and get to work earning the fee!

I firmly believe that as you are building your skills, you can use that same information to generate marketing material that you can use to bring in client cases. More client cases help you hone the skills that help you to create marketing material, and on and on it goes in an ever-widening circle of your practice.

Marketing Ourselves, Our Brand, and Our Business

When you are starting out, the easiest marketing to do is to let the people who already like you, and like working with you, know that you do this. My very first steps would be to do the following:

- Make sure your website reflects that you handle IRS representation matters.
- Send an announcement to all your existing clients or, better yet, send a tax alert to them that lets them know you handle these matters. My first Tax Rep Member, Anthony, did two things when he started his IRS Rep practice. He first updated his website to reflect that he handled IRS matters, and he sent a one-page newsletter to his almost 500 tax preparation clients

titled, "What to Do If You Cannot Pay the Taxes?" That one-page letter generated over \$140,000 of new business his first year!³¹ Anthony tells me that he suddenly started receiving calls and emails that, "Hey I didn't know you did this work. My brother has a tax issue..."

- The point is that no one can refer you clients if they do not know you handle these matters, so we need to make sure they know.
- **Start Blogging:** Blogging is simple, easy marketing that, if done right, both acts as an advertisement for potential clients and helps the Search Engine Optimization of your existing website.

A couple of notes:

- Each blog post should be 200-500 words. That is it. These are not articles, but rather bite-size pieces of information. The goal is to let people know that you do this, not teach them how to handle the matter.
- Your key-word density, meaning the number of times your key words are mentioned, should be somewhere between 2 and 4% of the total words in the piece. Bold them.

³¹ That letter is available as a Word file in our Tax Rep Members area for use by our members.

- Focus on localism, meaning, make sure you mention your local market. For instance, I am in New Haven, Connecticut, so I tend to mention that at least two or three times. I want potential clients in my area to find me.
- I hyperlink back to my website's pages. I include the firm landing page, my bio page, our services page and our contact information. What this will do over time is help each of the website's pages to rank in the search engine results, as the search engines score your pages by how many times they are linked. As I do this continually and diligently, not only do the blog posts rank, but also my firms pages also show up in the first page search engine results.
- Choose a blogging site that is NOT your firm website. You want to blog on a site with heavy traffic because the search engines like sites that produce fresh content, and the outside site linking to your website helps the Search Engine Optimization of your site. Blogging on your own website, though nice, generally does not accomplish much.³²

³² The author (me) has his blog on Activerain. Activerain is not free (it costs about \$199 per year) but because it's designed for the real estate industry, there are 350,000 real estate

- What to blog about? Sit and brainstorm ideas and topics. Sign up for the free IRS newsletter³³ and the Department of Justice Tax Division news feed.³⁴ Your state's Department of Revenue may have its own email bulletins it puts out. If so, sign up for those as well. There is usually plenty of fodder for topics there. Inside Tax Rep, we brainstormed and came up with 115 IRS rep topics for our members to help get them started!
- **Link the Blog Posts to Your Social Media:** That same blog post should hit all your social media channels, and most blogging sites allow you to do this easily and quickly.
- **Send a Tax Alert:** That same letter you can send to your clients about 'What to do if they can't pay the taxes you should print and send to 50 landscapers, 50 restaurants and 50 contractors in your area. Why landscapers, contractor and restaurants? They are the number 1, 2 and 3 industries for bankruptcy. I

professionals putting out content every day. My blog posts generally rank really well from Activerain. Just an FYI though, Activerain's support pretty much sucks. Getting in touch with a human being there is like getting in to visit the President of the United States, so you may want to consider other sites.

³³ <https://www.irs.gov/newsroom/e-news-subscriptions>

³⁴ https://public.govdelivery.com/accounts/USDOJ/subscriber/new?topic_id=USDOJ_163

would call this a newsletter, but a newsletter makes it sound like you are going to be doing this on a schedule, and most people today do not read newsletters. They just toss them. By sending out an "Enforcement Alert" or something like that, you put yourself and your firm on their radar. Also, if they don't have a problem, they almost certainly know friends and business associates who do. Once or twice a year, this should generate clients.

- **YouTube / TikTok / Instagram Videos:** These are not high production videos but are rather taken with your smart phone and are 30 seconds or less. Do a tax tip, talk about whatever you just blogged about, etc. What is critical is that you are consistently putting out content.
- **Network with Attorneys:** Attorneys can be great sources of referrals, especially:
 - Family/Divorce Attorneys - IRS Collection, Innocent Spouse, Missing returns, etc.
 - Bankruptcy Attorneys - Payroll and sales tax cases, missing tax returns, non-dischargeable tax debts, innocent spouse cases, tax liens, etc.
 - Real Estate Attorneys - tax liens and routine IRS collection cases

Understand that you don't just meet with attorneys and have them start handing you files. This is a long-term process, and so you want to present yourself as being as helpful to them as possible. And yes, I have given away free 15-minute calls to discuss issues. My goal has been to win over the attorneys, not to get paid immediately, because if those attorneys decide they like you, then you will see them start to send clients, and those clients call "because their lawyers said so."

Now what is critical about everything I laid out is that you are consistent (i.e., disciplined) in taking these steps. I tell my Tax Rep members to carve out two hours a week for marketing. It can be evenings, 4:30am one day a week, whenever. It does not matter when it is, but it is critical that it gets done. You will not do marketing activities one day for 18 hours and build a huge practice. But if you consistently market for two hours a week, every week, then over time, yes, you will build a large practice.

Can you do more and speed it up? Yes, to an extent, but you cannot force attorneys to try you faster. It's a marathon, not a sprint, so just pace yourself and, per the quote from Calvin Coolidge, "Persistence and determination alone are omnipotent."

Now Get After It!

My hope is that by now you realize that there is no magic to this. Building the practice you desire just requires that you can see it, that you commit to doing what you need to do, and that you get up every day and move the ball forward.

Step number one is to imagine the practice that you want. What will it take to generate the income you want? Once you have that, you start engineering backwards:

- If I have a 1040 practice, which clients do I want to keep, and how much money is that?
- How many cases do I need to fill in the gap to hit my \$1 million goal?
- How do I get the work done? What is my workflow? What can I leverage for technology?
- What marketing should I do to achieve this?

Once you lay this out, you will have a list of steps you need to take to put the pieces in place and execute the plan to hit your financial goals.

As an example, let's say you have a 1040 practice that is sucking your will to live. It consists of 500 clients and

generates \$375,000 of revenue. You take home \$200,000 of that after expenses. You want to make \$500,000.

After reading Chapter 14 about what to do with your practice, you rank the clients and realize 200 of them are not paying enough or are so annoying you would be happier without them, so they all receive letters, and after some whining, they are gone. With them goes \$125,000 of revenue. So you have now two-thirds of the work you had before and are making \$150,000.

You immediately start a "refer a friend" campaign with your existing clients, because if you like them, it's safe to assume you will probably like their friends and family. But you also send a newsletter to all your clients about "What to do if they or someone they know cannot pay the taxes."

The math is simple. If the average Offer-in-Compromise is \$8,500, the average sales tax case is around \$5,000, and the average payroll case is around \$15,000, you need to just get one of each per month to add roughly \$320,000 to your top line. Expenses are going to be around \$20,000, as the workload is not so much that you cannot handle it currently with your existing support person. You plan out your blogs, two per week, and some letters and emails to attorneys in your area, as well as the 50 landscapers, restaurants, and contractors near you.

After setting this in your calendar, you simply execute the plan. Week in and week out, you execute. Within a month or two, the phone and emails will start coming in. The consultations alone will be a few thousand dollars a month. Within six months you see additional revenue of almost \$15,000 per month for much less work than the 200 bad clients you disposed of. New 1040 clients that pay market rate should make up the lost revenue from the 200 clients that are gone. Combined with the new rep work this gets you to around \$520,000 per year and should have you earning close to \$320,000 from that. Give this another year and that \$500,000 becomes a reality.

The only thing left to do is execute the plan!

Now, honestly, these numbers are a bit rough, and six months may or may not be accurate. You may be able to speed it up going faster. More blog entries, start speaking, Youtube videos, etc. It may be a little bit slower due to where you are and the amount of effort you choose to put in, but there is nothing here that is beyond you. Just follow the plan and be relentless in your execution.

Make sure you carve out and set time to do this - it is non-negotiable. It might be early am, pm after work, or a weekend. But you are a pro, this is the goal, and you go to work on it. Do not believe that the motivation that you feel

now will carry you there. Motivation is fleeting. It comes and goes. It is discipline that gets you to your goal.

The need for trained IRS professionals has never been bigger. The work is there, and there are very few tax pros who can handle these matters properly. Add to that the \$80 billion of new funding for the IRS, and we are going to be very busy for the next decade! There is no secret sauce to this; it comes down to a plan and having the discipline to execute the plan. Jeff and I did just that and built the law practice, the coaching program, and have helped hundreds of members cross their thresholds to make an extra \$100,000, \$250,000 or \$500,000. You can make your tax rep practice as big as you want. It is scalable and can be run from anywhere. If designed and marketed right, it will also be a wonderful asset to sell.

We have told you what we did. The path to get the prize is very clear. You just need to get up every day and get after it.

A handwritten signature in blue ink, appearing to be 'E. L. Y.' followed by a long, sweeping horizontal line.