



Featuring **myBBD** Pass

myBBD RELATIONSHIP PLEDGE

CONFIDENTIALITY:

CONFIDENTIAL

As tax practitioners, we receive and collect nonpublic personal information from various forms and statements that you provide. We do not disclose such information, except as instructed to do so by you. Access is restricted to those professionals who need to know such information to provide services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

BBD TAX PREPARATION PROCESS:

Over the past year we have made some changes to our tax preparation process to make things easier for you and to make things efficient. Below is our typical procedure for taking in your information to prepare your tax return.



- **STEP #1 - TAX DROP APPOINTMENT:**

This is when you will provide your information to us. If you **mail or email** your tax information to us, we will still need to schedule a tax drop appointment. Our staff will contact you to set up a time for your accountant in charge to review the information you provide to us before we begin preparing your taxes.

- **STEP #2 – PREPARATION and INTERNAL REVIEW OF YOUR RETURN:**

One of our accountants who have been assigned to your account will prepare your return and follow up with you on any open questions.

- **STEP #3 – ONLINE CLIENT REVIEW:**

When your return is fundamentally complete, we will schedule a time to go over this return with you via online meeting. This meeting is to ensure accuracy of information provided, and allows us to discuss any final details and option with the tax return before the return is printed for E-filing.

NOTE: At this meeting we will discuss the billing for the tax preparation and make arrangements for payment.

- **STEP #4 – SIGNATURES & PAYMENT PROCESSED:**

Next we will upload to myBBDPass the forms we need to have you sign and we will also be sending you the final billing amount to be processed for our payment.

- **STEP #5 – ELECTRONIC FILING:**

Once we have received your e-file forms back and have processed your payment for our services, your tax return will be e-filed.

- **STEP #6 – ACCESS TO YOUR TAX RETURNS AND TAX DOCUMENTS:**



YOUR TAX DOCUMENTS: Upon completion and payment for your returns, we will be mailing your tax documents back to you via registered mail to the address you have provided to us.

COPIES OF YOUR RETURNS: All copies of your returns, along with copies of your tax documents will be provided to you via our online account access – **myBBDPass**. Upon completion and payment of your invoice, your returns will be posted to your **myBBDPass** secure account. You can access this account via our website or from your iOS or Android device via our mobile app.



PHONE CALLS AND CUSTOMER SERVICE:



As all of you know, we do not charge for phone calls. This is part of the customer service we provide for our clients and we want to continue to provide this at no cost for our clients. All of our clients deserve to get friendly, courteous service, and accurate information.

SPEAKING DIRECTLY TO WHO YOU ARE CALLING: Most times you call, you can speak directly to the person you are asking for. However, due to the nature of our business, undisturbed work-time is crucial to our accuracy and effectiveness. Everyone here has set aside time to work specifically on his or her files. We ask that you please understand this. Leaving a voicemail or e-mailing your questions is a common way for us to interact with you.

BUSINESS BY DESIGN'S RETURN CALL POLICY: Our staff here at BBD will make the commitment to get back to you within a 24 hour time period. Generally, calls will be returned the same day if received before 3:30 p.m. If a call is received after 3:30 p.m., it will be returned the next business day. Obviously, at some times during the year this is more difficult. We will make every attempt to handle your question or concern as soon as we can.

STOPPING BY OUR OFFICE WITHOUT AN APPOINTMENT: From time to time we will have people that are in the area and want to stop by our office. We like to have people come in and see us, and we will make every attempt to help you. However, please understand that it is not always possible to meet with the person whom you may intend to speak with if you do not have a scheduled appointment.

Often, even if we are not with clients, we will be working on information requiring much focus. Please understand that we will not be able to accommodate you at all times without a scheduled appointment. We suggest that you call first to see if you can meet with the person you desire. At that time you will know if they have time in their schedule to meet with you.

We will be more than happy to set up a specific time to meet with someone, please allow us to do that for you!

REQUIRED ELECTRONIC PAYMENT FOR SERVICES



We ask all our clients to understand that we are in the personal service business. We rely on your prompt payment for our business operations. **We ask that you understand all fees for our services are due upon completion of your tax return.**

We will **ONLY TAKE ELECTRONIC PAYMENTS FROM YOUR BANK ACCOUNTS OR CREDIT CARDS.** If you do send us a physical check, we will be converting this to an electronic debit. We will use an electronic method to process your payments. This process helps us be more efficient and keep costs down.



REQUIRED: All clients will be asked to sign a "Client Engagement Letter" prior to engaging in our services. We will provide this letter to you early in the year. We will also request you indicate the method of payment. We accept electronic payment by Credit Card or ACH (Checking) Debit.

Before we e-file your tax return, we will be requiring your business checking account and/or credit card information with the file. (Basically some method of payment) You will not need to physically send or bring us a check. With your signature on an invoice, we will be debiting your business bank account for our services. It is very easy, and very efficient.

PAYMENT TERMS & INTEREST CHARGES:



Payment for our services is due upon the completion of your review of the tax return and receipt of the e-filing forms. If you are unable to pay at that time, additional fees may apply.

**** PAY WITH REFUND OPTION:** If you choose to pay your invoice with an expected refund, there will be an extra charge for this option. This method of payment will need to be approved in advance of your return being complete. We can provide you a fee schedule for this upon request.

**** OTHER PAYMENT OPTIONS:** If you need to discuss other payment options, you will need to speak with Paul Miller directly. Please understand that additional finance charges may apply here. If you have any questions about this, you can contact Paul at 952-392-1200 or email, PaulMiller@mybbd.com.

BUSINESS BY DESIGN CLIENT and TAX PREPARATION FEES:



We believe your payments for our services are an investment in your business. Our belief at Business By Design is that we should not ***COST*** you anything, we should provide you with a great return on your investment with us. The experience, knowledge and advice we provide has helped our clients collectively save hundreds of thousands of dollars over the years.

Our first objective with our fees is to make sure our clients feel they have received a good value for the money spent on our services. Each year we review our fees that we charge our clients. We try to be as fair and objective with this process as possible.

Our tax preparation charges are based on complexity and hours spent on the return. As with all things in business, costs continue to rise. We assure you we are sensitive to our clients' tax preparation costs, and will make every attempt to keep costs as low as possible for our clients. ***We pledge to provide a high quality product at a fair price for our clients.*** If we can find ways to reduce the costs of your tax preparation, we will make suggestions or give you some alternatives.

BBD STAFF INFO:



It is important to us that all of our customers have a positive experience in working with Business By Design. To do this, we try very hard to have a well-trained staff working as a TEAM. If for any reason you are not happy with the service you have received, please let us know. Often we get one of the following questions:

- “Who at Business By Design is doing my return this year?”
- “Who at Business By Design is my accountant?”
- “Will the same person be working on my return as last year?”

To accurately answer each of these questions, we need to be sure our tax preparation process is understood. Typically, you will not have just one person who works on your tax file. We have intentionally designed our process to ensure at any time you will have MORE THAN ONE person at Business By Design who is familiar with your tax records and tax returns.

We have a 3-step process for all tax returns preparation:

- **DATA ENTRY:** Generally, we have one person who will do data entry and gather all your information. Often to save time, we will have a staff accountant assist the “Preparer” of the return.
- **TECHNICAL REVIEW:** Next, your return goes to one of our “Preparers” for technical review. This is the person who actually signs your return, and is responsible for the return.
- **CONCEPTUAL REVIEW:** The final step is a Conceptual Review. Here, one of our “Preparers”, or Paul, will look over the return to see if there is anything else in “concept” we need to do in the upcoming year to help the client.

Often, different people will do all three stages. Any person you may come in contact with will be assisting your preparer in getting the necessary information.

Over the years, our tax staff has grown and changed to meet the needs of our clients. Please understand that you may have someone contact you who may not be your “Accountant” – (the person responsible for your return), but they may be helping do some of the data entry and information retrieval.

NOTE: If you have a preference on working with one person in particular, you can contact Paul Miller directly (Ph# 952-392-1200), and he will do everything possible to accommodate your requests.

COPIES OF YOUR TAX RETURN:



All copies of your returns, along with copies of your tax documents will be provided to you via our online account access – **myBBDPass**.

When your returns are completed and payment is complete, your returns will be posted to your **myBBDPass** secure account. You can access this account via our website or from your iOS or Android device via our mobile app.



PAPER COPIES: Fee is \$100.00 per return: Most of you understand you would not need the actual paper copy of your tax return. Your tax returns will be available to print off if you so wish to. If you would BBD to provide a paper copy of your tax return, one will be provided for an additional fee of **\$100.00 per return**.

We ask that you make your request for a paper copy when you drop off your tax information. This will apply to paper copies, faxes or e-mails, to yourself or a third party. We will be happy to provide you with additional copies, but please understand each copy costs time and money. This fee will need to be charged to a credit card before the copies are provided.

E-FILING OF TAX RETURNS:



E-Filing is REQUIRED: The IRS and MN Department of Revenue require our returns to be E-Filed when possible. We will be taking care of this process for you. We will need all your W-2's, 1099's, & other tax related forms to complete this properly.

VERIFIED E-MAIL ACCOUNTS ARE REQUIRED:



We need to have ONE PRIMARY EMAIL ACCOUNT. This should be the email account you would want to receive tax information and notifications from us.

If you change your e-mail address, it is your responsibility to notify us of this change. We want to be sure you receive the information we will be sending out. Please check this email on a regular basis.

It is very important that this account can receive sensitive tax information and not be viewed by co-workers or unwanted viewers.

SPECIAL REQUEST LETTERS TO BANKS(\$40.00 Charge):



Common Question: "It is just a simple letter, why do you have to charge?"

WHAT IS THE FEE? We will be charging a minimum fee of \$40.00 for each special request letter written to anyone who requests the following, but not limited to: Verification of self-employment, mortgage letter, or verification of financial condition, etc.

We have had many people comment on this issue. We do understand where our clients are coming from, and we really wish we did not have to charge for this. (We would actually prefer if we did not have to provide these letters at all). We get between 200-300 requests each year for these letters.

In today's banking environment, documentation is a fact of life. Banks will always want someone else "on the hook" for assurances that your financial information is accurate. This comes up so much that we have to deal with it as a time and liability issue. If you have any questions, you can contact Paul Miller at 952-392-1200 or email, PaulMiller@Biz-By-Design.com

A few things to remember...

DO YOU HAVE AN S-CORPORATION?



- **Wages to Officers:** As we have mentioned before, all corporations are required to pay a “reasonable” wage the owner/officers. It is your responsibility to contact us to determine how much in wages you will need from your corporation. When a wage is paid, tax payments must be made.

CRITICAL NOTE: If you do not take a wage from a corporation, you will lose the deductibility of your retirement contribution, health insurance AND, you will be subject to additional social security taxes and penalties.

- **Distributions or Dividends:** You will not be allowed to take a “Distribution” or “Dividend” from your S-Corporation more often the once per month. If you do this more frequently, the money taken may be deemed to be a wage and subject to additional tax and penalties.
- **Corporate Credit Cards:** If you use a credit card for business expenses, it is STRONGLY recommended you use a CORPORATE CREDIT CARD. This will help to ensure the deductions will be legal for the corporation.
- **Rent Payments to Yourself:** If you are renting space or equipment back to your corporation, you must write a check for this rent payment. Failure to do this can result in additional tax and disallowance of business deductions.
- **Other Employees:** If you have any other employees (other than family) working for your corporation you will need to watch for the eligibility of these employees to the fringe benefits provided to yourself. (Health Insurance and Retirement Accounts)
 - **You should also be aware if you need to have Workers Compensation Insurance.** Typically you do not need this insurance on yourself or you family. However, if you hire someone as an employee, you will be required to have Workers Compensation Insurance. Please check with your insurance agent to be sure you have this coverage.
- **Signing for the Corporation:** You should always sign properly for your corporation. (Your Name, Title) By doing this you protect the corporate veil. Remember, you as an individual, are different from you, as a corporate officer.

DO YOU HAVE A C-CORPORATION?



- **Wages to Officers:** As we have mentioned before, all corporations are required to pay a “reasonable” wage to the owner/officers. It is your responsibility to contact us to determine how much in wages you will need from your corporation. When a wage is paid, tax payments must be made.

CRITICAL NOTE: If you do not take a wage from a corporation, you will lose the deductibility of your retirement contribution, health insurance AND, you will be subject to additional social security taxes and penalties.

- **Corporate Credit Cards:** If you use a credit card for business expenses, it is STRONGLY recommended you use a CORPORATE CREDIT CARD. This will help to ensure the deductions will be legal for the corporation.
- **Rent Payments to Yourself:** If you are renting space or equipment back to your corporation, you must write a check for this rent payment. Failure to do this can result in additional tax and disallowance of business deductions.

- **Other Employees:** If you have any other employees (other than family) working for your corporation you will need to watch for the eligibility of these employees to the fringe benefits provided to yourself. (Health Insurance and Retirement Accounts)

You should also be aware if you need to have Workers Compensation Insurance. Typically you do not need this insurance on yourself or you family. However, if you hire someone as an employee, you will be required to have Workers Compensation Insurance. Please check with your insurance agent to be sure you have this coverage.

- **Signing for the Corporation:** You should always sign properly for your corporation. (Your Name, Title) By doing this you protect the corporate veil. Remember, you as an individual, are different from you, as a corporate officer.

LIMITED LIABILITY COMPANY (LLC)?

- **Rental Properties:** If you use an LLC for your rental property, all property needs to be deeded to your LLC to provide liability protection. If you need help on this, please contact our office and we can help provide you with your options on how to handle this.
- **Bank Accounts:** If you have an LLC that you use for your rental properties, you need to have a bank account for this LLC.
- **Loans to LLC's:** If you have put personal funds into an LLC to acquire property, you should record this as a loan from you to the LLC.

