

## SENTINEL TAX DEFENDER PROGRAM

Welcome to The Sentinel Tax Defender Service Extension. This service plan is offered in association with Sentinel Tax. The Sentinel Tax Defender Service Extension (“The Service”) is available to clients of Sentinel Tax that opt into and purchase The Service at the time of their tax return preparation. The Service cannot be added to a tax return after the filing is complete. Tax Returns ordered and paid for by Certified Sentinel Tax Advisors are not automatically enrolled in The Service.

The Service is an additional option, and is not required of any taxpayer. Sentinel Tax guarantees error free tax preparation as part of its “Sentinel Tax Promise” program which will pay interest and penalties on any errors resulting from Sentinel Tax return preparation.

The Service shall have an activation date on the same day as the service is paid for. It is non-transferable, non-refundable, and can only be used for one taxpayer.

The Service covers both federal and state income tax returns. Local or county tax returns are not covered. By opting for The Service, you agree that you have reviewed your returns and that all sources of income, expense, deductions, credits, and any other tax information has been provided to Sentinel Tax at the time of return preparation. Any documents that are not part of the work-paper file will be deemed omitted and The Service will not cover tax, interest, or penalties that arise from the omission.

In addition, by paying for The Service you agree that any returns or income included in the returns covered by The Service are not currently under audit examination or review by the Internal Revenue Service or other State tax authorities.

### TAX NOTICES

If you receive a tax notice, you must provide a copy of the notice to the Sentinel Tax Defender Claim Group within 45 days of receiving the notice.

Once The Service receives your tax notice, you will be assigned a CPA or EA that will review the notice, confirm with you the course of action, and respond to the notice on your behalf.

If the tax authority requires more information from you to verify amounts on the tax return, you must provide that information promptly. Failure to provide information requested by the tax authority will be grounds for denying any claims.

If you receive tax notices for periods outside of The Service tax year or for jurisdictions that are not covered, The Service can help you for a small fee.

## **TAX AUDIT**

If your tax return is selected for audit by the Internal Revenue Service or State tax authority, you must provide a copy of the audit letter to the Sentinel Tax Defender Claim Group within 45 days of receiving the letter.

Once The Service receives your audit letter, you will be assigned a CPA that will review the audit notice and begin your defense if a valid defense is determined to be available after the preliminary review.

If the audit cannot be defended or if you are not able to provide the documents or proof that is being requested as part of the audit, The Service may decide that some or all of the issues in the audit cannot be defended and will not work toward resolution for those items.

For those defenses that remain, Sentinel Tax will engage the tax authority representative either by phone, mail, or (if required by the tax authority) in person to resolve and defend the audit and issues raised as part of the proceeding.

If the tax authority requires more information from you to verify amounts on the tax return, you must provide that information promptly. Failure to provide that information will be grounds for denying any claims.

## **EXCLUDED ITEMS AND SITUATIONS**

The Service does not cover the following:

- (a) Amended tax returns unless those returns are the result of correcting an error as part of a claim;
- (b) Payroll or employment taxes, Forms 709, 1099, or other non-income tax returns;
- (c) Any return relating to previous years or years that are not covered by The Service;
- (d) Estimated tax payment vouchers or the calculation of estimated tax due;
- (e) Any penalties related to erroneous payment amounts or tax due payments and not disclosed to Sentinel Tax at the time of preparation;
- (f) Additional taxes, penalties and interest that are assessed as the result of (i) incorrect, incomplete, false or misleading information that you have given to Sentinel Tax in connection with its preparation of a return; (ii) the government's inability to obtain from you sufficient records to support deductions, credits and other items on your return; (iii) your failure to timely pay the taxes as shown to be due on your return; and (iv) additional taxes assessed as the result of your desire to take a position on your return that challenges current IRS or judicial tax law guidelines or interpretation. In the event you receive a refund of any assessment that Sentinel Tax has paid you under The Service, you must reimburse Sentinel Tax for the amount of such refund;
- (g) Any return in which a tax authority has notified you of examination or audit on or before the date you purchased The Service;
- (h) Assessments or taxes that occur after 36 months from the purchase date of The Service;
- (i) Any taxes or penalties related to retirement accounts, IRA's, 401(k)s or company pension plans.
- (j) Additional amounts due to employment of household employees, children, family members, or other relatives.

**DEFENDER PROTECTION ENDS WHEN ENGAGEMENT ENDS**

The Sentinel Tax Defender Service is available only to active clients of Sentinel Tax. If your professional engagement with Sentinel Tax terminates for any reason, whether by your choice or by Sentinel Tax, Defender protection will automatically terminate as of the effective date of the engagement's end. Upon termination, Sentinel Tax will have no further obligation to provide notice response, audit defense, representation, or other services under The Service, regardless of when a notice or audit is initiated, unless such matter was formally opened with the Sentinel Tax Defender Claim Group prior to the termination date. No refunds or prorated credits will be issued upon termination.

**ARBITRATION IF A DISPUTE ARISES BETWEEN YOU AND SENTINEL TAX**

If a dispute arises between you and Sentinel Tax, including any dispute that relates to Sentinel Tax Defender, the dispute shall be settled by binding arbitration. The arbitration shall be administered by the American Arbitration Association under its Commercial Arbitration Rules. The number of arbitrators shall be one. The place of arbitration shall be Naples, FL. Florida law shall apply. Judgment on the award rendered by the arbitrators may be entered into any court having jurisdiction thereof but may not exceed \$5,000.