

Sample Disengage 1040 Clients Because Of New Business Model Template

Description: A sample email explaining that the firm will no longer be able to provide professional services to standalone 1040 clients because of a new business model. Renew members might refer to this process as terminating, disengaging from or firing clients.

DATE

Client Name

Address

City, STATE zip

RE: Disengagement or Opt-In to Full-Service Agreement

Dear [client first name(s)],

It is with our utmost respect for you and our relationship we write to inform you we will no longer be able to provide professional services for you in the same capacity we have in the past.

As a professional courtesy, it is our intention to inform you well ahead of the upcoming tax filing deadline about changes we've made in our firm and our business model. Simply stated, we have transitioned away from preparing annual 1040 (Individual) tax returns as a stand-alone engagement.

Please know this change in our firm business model—and this communication to you—is not something we take lightly. We have spent many hours working on our firm's vision for the future. It has become clear that restructuring our business is necessary for the direction we want and need to take our firm. Our new business model is focused on providing businesses and those with complex tax situations, year-round tax, accounting, and advisory services.

That said, the staffing and resources required to provide this ongoing, year-round service, is priced starting at \$1,500 for annual packages. We realize this pricing and service structure would represent a considerable increase for you and may be excessive for your needs. Unless you need year-round services, we believe the best option for you is to find a firm that can complete your annual tax returns at competitive pricing.

Given this information, we presume you will choose to transition to another firm. We absolutely respect and honor the decision you make regarding your needs and future with our firm. If you would like to embark on an annual, year-round service arrangement, please contact us for more information. However, if we do not hear from you within ten (10) business days, please be assured this letter will serve as a formal disengagement.

As we anticipate your disengagement, we assure you we will help make your move to a new accounting firm as smooth as possible, here are a few "housekeeping" items:

- There is no outstanding balance or a balance of \$ ____ on your account; final invoice attached.

- We do not keep original records in our office therefore you should have all the records in your possession necessary to transition to a new firm. *(Mail back any original docs if we DO have them in the office)*
- If, in the future, you need copies of prepared documentation, i.e., tax returns, we can provide them with your written permission. A new accounting firm may request this information by providing us with an Authorization to Release Information form signed by you.
- If you need help to locate a firm to assist with your tax return preparation moving forward, we would be glad to provide you the names of firms in our area currently accepting new clients.

In closing, we sincerely thank you for the trust you have placed in us, and for the opportunity to have served you. We have enjoyed working with you and we wish you continued success in the future.

Best regards,

Name
Partner