**Letter to Inform a Client of a Fee Increase for the Coming Year**

Dear Client:

Over the years, we have valued your business and appre­ciated the opportunity to act as your tax advisor and return preparer.

Recent years, however, have brought with them ever increasing costs of providing these services to you. Costs such as maintaining a highly skilled and qualified staff, together with the technology needed to support them, as well as the effects of inflation, have made it impossible for us to maintain your fee at the current level.

As a result, we have been left with no choice but to increase your fee to $XXXX, starting with preparation of your 20XX income tax returns.

This has not been an easy decision for us, but as profes­sional financial advisors, we must look at this decision in a purely business setting.

We hope that you will continue to see the value of our services and will understand the need for us to increase the fee associated with the high quality services we per­form for you.

If you wish to discuss this matter with us, please do not hesitate to call.

Thank you in advance for your understanding.

Sincerely,

YOUR NAME

*This information was provided courtesy of Edward Mendlowitz, CPA, partner emeritus, WithumSmith+Brown, P.C. Ed was a speaker at the PSTAP Practice Management Seminar.*