



B Lab Statement on TaxValet's B Corp Certification

B Lab's independent Standards Advisory Council has rendered the following decision and guidance regarding eligibility for B Corp Certification for companies providing tax advisory services:

"Companies in the tax advisory industry are eligible for B Corp Certification if they are able to confirm that their tax philosophy, used to provide services and recommendations to clients, aligns with the company specific principles listed in B Lab's framework, specifically, 1) the tax advice provided appropriately reflects the actual amount of income generated by the client over time; and, 2) the tax advice provided to a client for a jurisdiction appropriately reflects the actual operations of the client in that jurisdiction."

TaxValet is required to disclose a summary of how it complies with the above requirements as a part of its B Corp Certification. For more information on the review process, please refer to B Lab's position statement on Companies that Provide Tax Advisory Services and B Corp Certification [here](#).

Summary of Company

TaxValet provides sales tax compliance services and is located in the United States. 100% of the company's service offering is related to providing tax advice, through their one service offering (Onboarding + Sales Tax Compliance Suite package). Services provided include Nexus Assessments, permit registrations, audit defense, ongoing sales tax filing compliance, and product and tax settling support. As for their fees, the company charges a flat onboarding fee and a monthly fee for their Ongoing Compliance Suite based on the client's revenue range as well as a per-state fee. Additional fees are potentially charged for the amendment of returns, penalty waiver requests, state payment plans, and voluntary disclosure agreements, none of which are related to a success fee or percentage based on tax saved. The company's additional fees can be found in [this link](#). TaxValet clients include both domestic and international small-to medium sized businesses in E-Commerce and SaaS industries.

Sales tax compliance processes often involve audits; state auditors will often request access to the original sales data and platforms (ex: Shopify, their accounting records, etc.) where orders occur, along with tax return records, which would provide proof of transactions and any tax due to that jurisdiction.

TaxValet's Policies and Practices

In alignment with the requirements and principles stated in B Lab's position statement for companies that provide tax advisory services, TaxValet has a philosophy statement for the tax advice that they provide to their clients and their own engagement with governments and tax regulators, which has been shared with all their employees. The philosophy statement reads as



follows:

“We are committed to providing our clients with the financial literacy surrounding tax compliance and as a principle, strongly discourage any tax preparation that involves tax avoidance. We strongly hold the [Institute for Professional Taxation’s Code of Ethics](#) as a framework for our conduct.

As a future Certified B Corp, we strongly believe in the following framework:

“The evaluation of a tax strategy for B Corp Certification should include whether 1) the amount of overall taxes paid over time appropriately reflects the actual amount of income generated by the business; and, 2) the amount of taxes paid over time in each jurisdiction appropriately reflects the actual operations of the business in that jurisdiction.

Companies in the tax advisory industry are eligible for B Corp Certification if they are able to confirm that their tax philosophy, used to provide services and recommendations to clients, aligns with the company specific principles listed in this framework, specifically, 1) the tax advice provided appropriately reflects the actual amount of income generated by the client over time; and, 2) the tax advice provided to a client for a jurisdiction appropriately reflects the actual operations of the client in that jurisdiction.

As part of that commitment and in recognition of the role that taxes play in contributing to a healthy society, we use our professional judgment to provide advice regarding tax positions that accurately reflects the income and operations of the client in each jurisdiction for which the client seeks our advice based on the details of the client’s income and operations provided to us, and do not advise clients to take a position unless we believe it has at least a reasonable basis for being sustained by applicable tax authorities.

If a client takes a tax position despite our advice to the contrary, we reserve the right to stop work for and terminate such client. In accordance with this tax philosophy, we engage with government and tax authorities on a collaborative basis and limit our advocacy activities with such authorities to work for specific clients in need of regulatory compliance assistance. We maintain compliance with this policy through regular training of our employees, internal policies on conduct, documentation with our clients, and client retention reviews.”

TaxValet has in place a Code of Ethics and Business Conduct which includes their tax philosophy statement and is made available to all employees and [publicly on the company’s website](#).

This code outlines their commitment to fostering constructive dialogue and creating a forum where employees can freely voice concerns about work-related matters without fear of reprisal. The company establishes their responsibility for conducting a comprehensive investigation of any reported matter pertaining to questionable or unethical behavior and that action will be taken if there is a valid finding of wrongful conduct.

The company’s Code of Conduct also outlines their commitment to provide financial information that is truthful, an obligation that applies to all employees from the CFO down, who are in any way responsible for the preparation of such information. Any inadvertent or deliberate inaccuracy or falsification of such information is considered unacceptable and any concerns about the veracity



or accuracy of such information is required to be brought to the attention of the company's compliance officer. Within this Code of Conduct, TaxValet's practices aimed to avoid providing advice that results in aggressive tax avoidance include a commitment to:

- Ensure that all corporate records must be factual, exact and absolute and company data must be promptly and accurately documented in their books in accordance with all relevant internal and external accounting practices.
- Retain and dispose of all their official documents as part of their normal business in accordance with applicable company policies and procedures and in compliance with all regulatory and legal requirements.
- "Not unduly affect, influence or mislead any audit, nor interfere with any auditor engaged to perform an independent audit for company records, processes or internal controls."

Tax Valet's commitment to avoid conflicts of interest, and accepting professional Courtesies with the IPT's Code of Ethics further demonstrates their practices to avoid unethical behavior and the production of untruthful financial reports for clients.

Compliance with the company's Code of Conduct is the responsibility of TaxValet's People and Culture Manager, to ensure all employees are aware and abide by this Code. The Code of Conduct forms part of every new hire training and is shared with everyone in the company twice a year for review.

Employees are ethically obligated to report any violations or suspected violations of this Code to management's attention; and provisions for confidential reporting have been made.