

## Security Policy

Recently there have been many events reported in the national news where thousands of individual's personal information has been compromised by the theft or loss of computers, tapes, disks, etc. There have been many more instances that didn't hit the national newswire, but bank and brokerage clients received letters offering credit monitoring as a result of lost personal information. In some cases lost/stolen computers may have been password protected, but the data was not encrypted in any form. While it now appears that few if any of the lost/stolen events has actually resulted in a personal loss or identity theft, the risk remains.

As a paid preparer of tax returns, Tax Proz is required by Treasury Department Circular No. 230 to keep certain client records for up to 3 years after the close of the return period. The close of the return period is normally the date the return was actually filed or the date it was due, whichever is later.

As noted in our Privacy Policy, we maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard all your personal information. In fact we go well beyond compliance with federal regulations by keeping all client information on electronic encrypted media. No hard copy records are maintained, and any information provided on paper records is destroyed once entered into your tax return and scanned onto encrypted hard disks.

We use encryption software reviewed by the U.S. National Security Agency (NSA) who announced it was acceptable for all U.S. Government Departments and Agencies to use to protect classified information up to the Top Secret level. In the unlikely event that a Tax Proz PC with client data on it is ever stolen, it is next to impossible that any client data could ever be recovered from the hard drive on that PC. All client data is also backed up daily on media that is also encrypted.

If you have any questions, please contact us at [info@taxproz.com](mailto:info@taxproz.com).