

The Entrepreneur Fund sees faster results and issues more loans since partnering with Tax Guard.

CASE STUDY SUBJECT



CLIENT TYPE

• SBA Lender

USE CASES

• Tax Transcripts

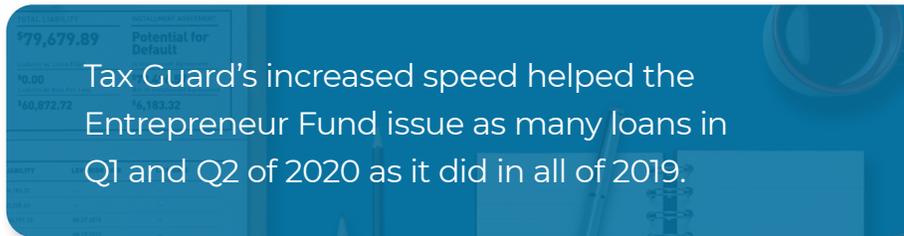
PRIMARY VALUES

- Faster Turnaround Times
- More In-Depth Reporting
- Improved Accuracy
- Boosted Loan Issuance

PROBLEM

The Entrepreneur Fund is a non-profit organization in Minnesota that offers growth advisory and loan services for small businesses. Previously, the organization used a vendor to obtain tax transcripts using Form 4506-T, which involved a very low margin for error. In other words, the Form 4506-T was rejected at a very high rate for minor mismatches in borrower-provided information.

Aaron Haugen, a credit analyst at the Entrepreneur Fund, estimated there were errors 25% to 50% of the time. In addition, Form 4506-T had an average week-long lag between submission and either rejection or acceptance, and the organization's previous vendor didn't make the situation any easier.



Tax Guard's increased speed helped the Entrepreneur Fund issue as many loans in Q1 and Q2 of 2020 as it did in all of 2019.

"If you get a rejection, you're already two weeks out from an acceptance, assuming you get it right the next time," said Aaron. "In my experience, there was almost zero customer service with our previous vendor. It was very black and white—it had to be their way or the highway."

The Entrepreneur Fund wanted a tax transcript solution with a faster turnaround time and access to more information, which is how the organization came to partner with Tax Guard.



To be able to give the client a timeline of one day rather than one to two more weeks is huge, and not just for the volume of loans we can do."

AARON HAUGEN

Credit Analyst
The Entrepreneur Fund



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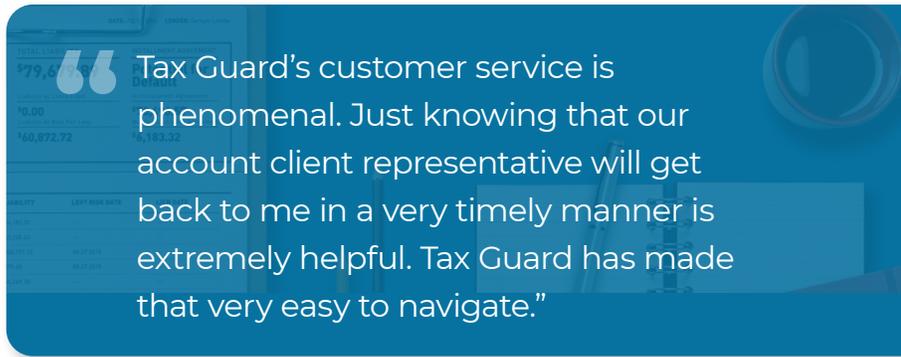
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SOLUTION

The Entrepreneur Fund discovered that one of Tax Guard's primary differentiators is how its proprietary process is not like the 4506-T vendors, which sped up the underwriting process.

"To be able to give the client a timeline of one day [with Tax Guard] rather than one to two more weeks is huge, and not just for the volume of loans we can do," said Aaron. "It provides clients with a more accurate picture of when their loans will close."

In addition to a faster turnaround time, Tax Guard provides the Entrepreneur Fund with more in-depth reporting.



“Tax Guard’s customer service is phenomenal. Just knowing that our account client representative will get back to me in a very timely manner is extremely helpful. Tax Guard has made that very easy to navigate.”

"We do mostly SBA 7a loans, which won't allow loans if there's tax liability not on a payment plan," said Aaron. "Our report shows if anyone has any tax liens or if they are or are not on payment plans. [With Tax Guard], we can immediately say, 'You won't qualify because you aren't on a payment plan, can you work on that?'"

RESULTS

Faster Turnaround Times

In contrast to the Entrepreneur Fund's previous vendor, Tax Guard can have a one-day turnaround compared to one week.

More In-Depth Reporting

Comprehensive reports allow the Entrepreneur Fund to quickly identify tax liabilities and convey them to clients.

Improved Accuracy

Tax Guard's verify button catches errors, alerting the Entrepreneur Fund of any issues before submitting the form. "I think I've probably had 99% acceptance rate with that verify button, and that's immediate, which, compared to a week, is huge," said Aaron.

Boosted Loan Issuance

Tax Guard's increased speed helped the Entrepreneur Fund issue as many loans in Q1 and Q2 of 2020 as it did in all of 2019.

