

Stop going to companies that “Just Do Taxes”

By Tim C. Lee

The tax preparation industry has become attractive and lucrative for a lot of individuals and businesses. So much, that each year, you see dozens of new tax preparation companies opening up to be a part of this profitable industry.

Even nontraditional businesses, such as car dealerships, check cashing companies, and payday lenders are adding tax preparation to the list of services they offer.

So what is it that makes a lot of businesses and individuals swarm to this industry?

If you think about it, what other business can you open up that would have the potential to make hundreds of dollars in 30 minutes or less from just one customer? To answer that question, “Very few.”

Another question, what other business can you open up that would have the potential to make hundreds of dollars in 30 minutes or less from just one customer, without you being required to attend any educational classes, be licensed, or free of any felony convictions? To answer that question, “Absolutely none, but a business in the tax preparation industry.”

Everyone wants to “Just Do Taxes,” but the question you should ask is, do they “Know Taxes”? Even Albert Einstein once said, “The hardest thing to understand in the world is the income tax.”

According to the Internal Revenue Service, millions of dollars go unclaimed due to taxpayers failing to take advantage of all adjustments, credits, and deductions that are allowed. Whoever prepares your tax return plays a huge role in whether your refund is being maximized, or your balance due is being minimized.

If you get someone to prepare your taxes that rely solely on the computer for answers instead of them being knowledgeable, then it is equivalent to you preparing your taxes yourself using tax preparation software. Remember, the main purpose of you seeking a third party is because they are supposed to be more informed than you.



“We Don’t Just Do Taxes...WE KNOW TAXES”

With identity theft on the rise, and the IRS and state tax agencies investigating unethical tax preparers filing fraudulent tax returns, it is more beneficial to find a reputable individual or business to prepare your taxes.

When the time approaches to choose a business or individual to prepare your taxes, always do your due diligence first. Contact the Better Business Bureau to inquire about their rating information. The BBB ratings range from A+ to F, based on the number of consumer complaints reported. In addition, go to the Internal Revenue Service’s website, www.irs.gov, to determine if the tax preparer has a valid Preparer Tax Identification Number (PTIN) registered.

You should know how long the company has been in business, and personally ask the tax preparer about their level of experience pertaining to tax preparation services.

Due to the possibility of your tax return being selected for an audit, you should ask the availability of the business or individual following tax season. You should never get your taxes prepared with someone that is

only open four months out of the year and no where to be found after April 15th. Keep in mind, if you did not have the expertise to complete your own tax return, then you are definitely not capable of representing yourself before the IRS or a state tax agency in regards to an audit.

Your main goal and purpose as a taxpayer should be to pay your fair share of taxes, and choose the right business or individual to prepare your income tax return. Remember, you do not want someone that “Just Do Taxes.” You should actually choose someone that “Know Taxes.”

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