

5 Tips for Selecting and Using a Professional Tax Preparer

Folks, tax season is upon us. It's time to dig through that pile of papers on your desk or dining room table (why do we still have these things) and try to find your receipts, invoices, and 1099's. If you pay someone to prepare your tax return, and I highly recommend that you do, you should be careful about who you use. I have long recommended that all small business owners use a CPA (Certified Professional Accountant) to help you year round, especially during tax season. Knowing that many small business owners may choose to wing it, you need to make sure that the person you are using is a professional

Listed below are a few things to keep in mind when selecting someone to help you prepare your tax returns:

1. **Make sure the person is qualified** - Ask for referrals and make sure you actually call them. You can always call your local Chamber of Commerce or even give us a call. Also, new regulations require all paid tax return preparers including attorneys, CPAs and enrolled agents to apply for a Preparer Tax Identification Number (PTIN), even if they already have one, before preparing any federal tax returns in 2011, so verify that they have one. Lastly, check to see if the preparer has a questionable history with the Better Business Bureau and the IRS Office of Professional Responsibility for enrolled agents.
2. **Ask about service fees upfront** – One of the biggest fears that people have of using a CPA or any tax person is not that it will cost too much. It is that they don't know what it will cost. Ask upfront for at least an estimate or an hourly fee. Avoid preparers who base their fee on a percentage of your refund or those who claim they can obtain larger refunds than other preparers.
3. **Make sure you can talk to your tax preparer all year** - Make sure you will be able to contact the tax preparer after the return has been filed, even after the April due date, in case questions arise. If you are ever audited, you don't want to hire a private investigator to find the person who does your taxes. The IRS will not accept you telling them that "The person that did your taxes was that nice man that sits in a black van, behind the Mapco. Just go ask him why I didn't turn in all of my revenue." If you think you have been dealing with a fraudulent tax preparer, click here, [Where Do You Report Suspected Fraud Activity?](#)
4. **Provide all records and receipts** - You are not allowed to wing it. There are cases that the IRS uses estimates, but not many. Most preparers will request to see your records and receipts and will ask you multiple questions to determine your total income and your qualifications for expenses, deductions and other items.
5. **Review your return and never sign a blank one** - Before you sign your tax return, review it and ask questions. Make sure you understand everything and are comfortable with the accuracy of the return before you sign it. Avoid tax preparers that ask you to sign a blank tax form.

To learn more about doing taxes for your small business register for our free IRS Small Business Tax workshop on February 28th, <http://www.tsdbc.org/workshop.aspx?ekey=53310005>

February

How to Start a Small Business workshop of Volunteer State Community College's Tennessee Small Business Development Center, 4-6 p.m. Tuesday, February 15, Betty Gibson Hall, Room 107C, of Vol State annex next to campus on Gap Blvd. in Gallatin. Registration is required. Reserve online. www.tsbdc.org. **Free.**

Developing a Business Plan workshop of Volunteer State Community College's Tennessee Small Business Development Center, 1:30 - 4:30 p.m. Thursday, February 17, Betty Gibson Hall, Room 107C, of Vol State annex next to campus on Gap Blvd. in Gallatin. Registration is required. Reserve online. www.tsbdc.org. **\$20.**

Social Media for Small Businesses workshop of Volunteer State Community College's Tennessee Small Business Development Center, 3-5 p.m. Thursday, February 24, Betty Gibson Hall, Room 107C, of Vol State annex next to campus on Gap Blvd. in Gallatin. Registration is required. Reserve online. www.tsbdc.org. **Free.**

IRS Tax Workshop of Volunteer State Community College's Tennessee Small Business Development Center, 9:00 - 3:30 p.m. Monday, February 28, Betty Gibson Hall, Room 107C, of Vol State annex next to campus on Gap Blvd. in Gallatin. Registration is required. Reserve online. www.tsbdc.org. **Free.**

Thank you very much.

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