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## **CHOOSING A TAX PROFESSIONAL**

Is it time for you to consider hiring a professional tax preparer? With the complexities and ever changing tax laws, it may be time for you to engage the services of a professional tax preparer. Do not risk overstating your tax liability because you are not familiar with all the tax laws and how they affect you. To ensure you engage someone with the proper expertise and training, look to certified public accountants, tax attorneys or enrolled agents.

Your taxes are important! When making your selection, ask a few questions to see if the preparer offers what you are looking for:

**Services:** The safest and most efficient way to file your return is electronically. Does the preparer offer this service? Starting in 2012, all preparers who prepare more than 10 returns annually are now required to file electronically. If your preparer doesn't offer this service, find out why.

**Experience:** Is the preparer familiar with your line of business? Is the preparer experienced in working with similar size and type of businesses? Find a preparer who is acquainted with the issues you face in your tax return and has experience preparing returns in your industry.

**Price:** What are the charges for the services provided by the preparer? Is the preparer authorized to practice before the IRS? If your return is examined by the IRS, what is the preparer's policy on assisting you? Know ahead of time the fixed or hourly rate you will be charged. Do not let yourself be blind-sided by huge unexpected preparation fees.

**Qualifications:** The IRS has recently issued new regulations requiring all paid tax return preparers to obtain a Preparer Tax Identification Number (PTIN). All registered preparers will be required to pass a competency examination. Certified Public Accountants, Attorneys and Enrolled Agents are exempt from competency testing. Ensure that your preparer has a PTIN and either is exempt from competency testing or can demonstrate that they have passed the examination. Your taxes are too important to leave in the hands of a preparer who is not familiar with the tax code and current on changes in tax law.

**References:** Is your preparer willing to provide a list of clients you can contact? If they have satisfied customers, there should be no problem with you contacting a few of them for confirmation of the preparers' competency and work ethic.

Educate yourself on these issues, before making your selection of a professional tax preparer.