

5 Questions You Must Ask Before Hiring A Good Tax Preparer

Before you hire someone to prepare your tax returns, you want to conduct an interview and ask several important questions. The answers to these questions will determine whether a prospective tax professional is qualified to provide what you need.

1. How long have you been doing tax returns?

If it's less than three years, you may be dealing with someone who really doesn't have enough experience. You want a tax preparer who's been around the block a few times. Tax laws change every year. And it can be a tremendous help to you if he knows not only the laws in effect today, but also how these laws have changed over the years.

2. How many tax returns have you prepared?

Obviously, the more the better. If this person has only done a handful of returns over the years, he just hasn't dealt with enough situations to adequately understand the complex world of taxes. If the answer is less than 1,000 you should probably look elsewhere.

3. What kind of tax returns do you prepare?

There are many different kinds of tax returns: personal income tax, business income tax, payroll tax, sales tax, trusts and estates. The list goes on and on. You want a tax preparation business that is experienced in all types of returns, especially if you are self-employed or run a business.

4. Do you e-file returns?

You want a preparer who is up-to-date with the latest technology in the tax world. E-filing has been around for many years now, and is a wonderful way to improve the efficiency of filing tax returns. Your return will be processed much faster with e-filing, and there are error checks built into the e-filing system that greatly increase the likelihood of a mistake-free return. If your tax preparer doesn't offer e-filing, it's time to look elsewhere.

5. Do you have a guarantee?

A good tax prep service will provide a guarantee at no extra charge. If he makes a mistake on your return that causes you to owe more tax, he should reimburse you for any penalties and/or interest charges incurred. Of course, it's only fair that you pay the additional tax, because had the return been done correctly the first time, you would have paid the tax then. And if he makes a mistake that requires you to file an amended return, it only makes sense that the amended return will be done for free. Any provider of tax preparation services will see the need to make it right when he's done you wrong.