

Tax Facts

What To Ask Your Tax Professional

(NAPSA)—Long before April 18th rolls around, it's smart to invest some time in looking for a reliable tax preparer. Before hiring anyone, however, it can help to ask him or her these four questions.

1. How much experience do you have with my type of return? As with any other professional—doctors, lawyers, architects—you want to work with someone who's familiar both with the business in general and with your sort of case in particular. Ask preparers how long they've been doing tax returns and what kinds.

2. How do you determine your fees? Ask for billing and payment terms in writing. Many preparers charge a flat fee based on the complexity of your tax return. Don't work with anyone who wants a percentage of your refund or tells you what the refund will be before looking at your financial information.

3. Have you represented many clients in IRS audits? On the one hand, you want someone who has had enough experience with audits to help you if your return is scrutinized. On the other, you don't want someone who has too much audit history. It may signify someone who claims a lot of questionable deductions.

4. Do you have any professional designations? Preparers who are enrolled agents (EAs) must fulfill continuing-education and licensing requirements and are bound by ethical standards. They're also authorized to represent taxpayers before the IRS in all matters, including audits, collections and appeals. EAs must pass a comprehensive exam administered by



No matter who prepares your taxes, you're responsible for what the form says, so be wise about whom you hire.

the IRS that covers the broad range of tax issues that affect individuals and businesses and how to represent clients before the IRS.

EAs who are members of the National Association of Enrolled Agents (NAEA) must complete 30 hours of continuing professional education each year to maintain membership in the National Association of Enrolled Agents—more than the IRS licensing requirement of 24 hours a year. EAs are also subject to vigorous background checks before they can be licensed and they're required to abide by U.S. Treasury Department Circular 230.

EAs prepare millions of tax returns every year and are an excellent resource for anyone seeking the latest information on any tax issue. The EA designation is the only professional designation that indicates a person has demonstrated competence specifically in the field of taxation.

Learn More

For further facts or to find a nearby EA, call NAEA at (855) 880-6232 or visit www.eatax.org.