GGI Presentation
Tax Practice Management

About 9 years ago, we started the process of going paperless. This started first with tax returns currently being worked on saved to the CSA file cabinet. We purchased a desk top scanner for each team member so there would be no excuses for not scanning. They were also able to take these into the field.

As part of this process, it was funny, but we did not think about year two. We were so used to looking at work papers we did not think about not having them. So he ran out and got some portable monitors.

The next major step was start scanning the prior work papers. This process took most of two years. It allowed us to get rid of a large file room. With the reclaimed space we were able to do a little remodeling and reposition our administrative staff into a separate more efficient area.

Our final part of going paperless is happening now…we are getting all the boxes from storage, reviewing the permanent files that the documents are scanned and then having everything shredded. We are not looking at work papers because we have not sent anything to storage in years.

All extensions have been filed electronically for years, tax returns are e-filed. This year we notified clients that they would receive their tax organizers electronically unless we were asked otherwise. We do send vouchers and envelopes for tax return, extension and estimated payments to help minimize clients missing payments.

Each client has a secure portal and the returns are post there for their convenience. Later this year we plan to offer as a no charge service to allow clients to post their estate planning documents to the portal.

Hardware – Every team member in tax has a lap top, portable scanner and available portable monitors. We are on a three year replacement cycle for computers. All members have three screens to work from. A couple of spares are on hand for emergency swap outs.

Team members are highly encouraged to prepare business returns in the field. They coordinate with the audit department to arrive as they are finishing. The client gets a draft return in the field. There are less interruptions in the field, information is readily available and team members can have lunch or dinner with the client and enhance relationships.

Software – We are a 100% Creative solutions / Thompson Reuters house. The accounting, depreciation and tax programs are completely integrated. Once the chart of accounts is tax line coded… a push a button brings in all information. Often a return can be completed in an hour.

For tax research we use both CCH and RIA. For heavier multi-state issues we reach out to a specialist in that area and well as on some foreign compliance issues. We outsource most of our Research and Development studies to the Alliantgroup and Cost segregation studies to McGuire Sponsel.

In 2014 we upgraded our electronic filing from File Cabinet to Go File Room. This is more powerful and allows for easier identification of files. This also incorporates work flow. So projects are able to be routed to the next level. This process goes from preparation through e-filing.

Each team member is able to see their open projects. Account owners are able to see what stage the return is in and who has it. We are in the process of getting budget numbers in for each of the stages. This will allow everyone to have an accurate backlog. We try not to have more than 60 hours backlog.

As the electronic filing authorizations are returned the files are transmitted. They are also logged out on the database.

We have a data base with all returns due. We use this as a cross check against Ultratax to make sure no extensions are missed. This is probably over kill, but I am personally more comfortable.

About the 1st of March and April we start circulating lists by owner for extensions. It seems that the same returns pretty much get extended each each. So we try to get all of them not requiring extension computations/payments set up early.

All returns are assigned to a preparer and a reviewer. So everyone is able to run their work lists. All team members are empowered to have direct client contact and are encouraged to build up a relationship with the client.

We try to keep the estimated hours for each project up to date so the preparer has an idea of the time requirements.

All returns get reviewed no matter the level of complexity. We try to get seniors and supervisors to review the less complicated returns so they will get the review experience as they progress professionally.

During season the tax department meets weekly to review work flow and rebalance as necessary.

We are in our 9th year of using interns. They do the easier returns, 1099's, payroll and light business accounting and returns. Each year we have 2-3 and have been hiring for permanent staff from the interns. Generally try not to hire above team members and promote internally.

Over the years we have worked very hard to develop a business base of clients and not stand alone 1040's. There is a minimum fee of $750 - $1,000. For 1040's and $2,500 for business returns.

Admin no longer tracks assembly time, efiling, mailing costs etc on 1040's. We add $125 processing fee for each return.