



Tax Season Best Practices

We thank you for choosing Schanel & Associates, PA as your tax advisor. We truly appreciate your business, and we look forward to working with you this upcoming season. Below is a list of best practices to keep in mind when working with us to prepare your tax return. We will do our best to give you outstanding service, and if you keep these guidelines in mind, you will help us to do our best work for you.

- 1. Keep your documents organized throughout the year.** We recommend that you have a designated file to store all your tax-related documents as they come in during the year. Increasingly, our clients are scanning their tax documents and maintaining an electronic tax file. Either way, doing it throughout the year is always easier than waiting until the tax season.
- 2. Keep the originals, send us copies.** If possible, provide us with copies (or PDFs) of your tax documents rather than originals. And if you are sending us electronic documents, please send them in a PDF file format rather than as photos taken on your smart phone. Photos of your tax documents are often difficult to read and require extra time to convert to a usable format.
- 3. We do not require receipts.** Receipts may be necessary in the event of an IRS audit, but in most cases we do not require any receipts to prepare your tax return. Please provide your deductible expenses in a spreadsheet or some other organized format. This will keep your fees lower and allow your tax preparer to focus on providing tax advice and other value-added services.
- 4. Bring in your documents at one time.** To the extent possible, please transmit or bring us your tax documents all at once rather than as you receive them. We do realize that in some cases you might have one or several outstanding items that may not be available until later. If that is the case, simply get us what you have and let us know which items are outstanding and when you might expect to receive them.
- 5. Bring us your tax information as early as possible.** If you have your information ready, get your documents to us right away. Once we have your information, this puts you in our queue so we can quickly begin the tax preparation process. We also appreciate the opportunity to complete tax returns early in the season. If you wait until the last few weeks of the tax season, we may not be able to complete your tax return by the deadline.

- 6. Appointments may be limited as deadlines approach.** As the tax deadlines approach, keep in mind that availability for face to face appointments becomes increasingly limited. If no appointments are available, simply drop off or upload your tax documents and we will contact you with our questions. You may consider requesting an appointment for after tax season if you wish to discuss your tax situation further.
- 7. Designate a primary contact.** If you are married and filing a joint tax return, we ask that you assign one spouse as the main point of contact.
- 8. Complete a questionnaire and engagement letter.** Please take a few minutes to complete our online tax questionnaire. This helps us better understand your situation and allows us to identify any issues that may need to be addressed. You can access an electronic version of the questionnaire on our website www.schanelcpa.com under Client Resources. In addition, we ask that you sign an engagement letter, which is also available on our website.
- 9. Provide a narrative if necessary.** In addition to providing your tax documents and completing our annual questionnaire, it is sometimes helpful to provide a narrative explaining your overall situation. This is particularly helpful when something about your tax situation has changed.
- 10. Use the organizer.** We will email tax organizers in January which are pre-filled with your tax information from the previous year. While it is not necessary to fill out the organizer in detail, it is a good idea to use it as a guide for what documents we will be looking for.
- 11. Review your tax return.** We do our best to prepare an accurate and complete tax return from the information you provide, but we still ask that you review your tax return carefully. Ultimately, it is your responsibility to make sure everything is reported correctly. If you do see an issue or have a question, don't hesitate to contact us and we will address it immediately.
- 12. Follow the filing instructions carefully.** Once we have completed your return, you will receive an email communication that includes detailed filing instructions. Please read and follow these instructions carefully. In most cases you will be required to sign an e-file authorization form and return to our office, either physically or electronically.
- 13. Make your tax payments to the IRS.** If you have a balance due, we will provide instructions on how to make your payment to the IRS, which you will need to take care of on your own. If you are required to make quarterly estimated tax payments, we will provide vouchers and instructions for payment.

14. Don't shoot the messenger. No one likes a surprise tax bill, so if that happens to you, please keep in mind that we have already done everything we can within the law to minimize your tax liability. We will be happy to work with you to reduce the chances of any surprises going forward.

15. Consider contacting us between September and December. One way to avoid tax surprises is to contact us during the last quarter of the year to have us review your tax situation. At that time, we can look at your tax withholding, help you budget for any upcoming tax payments, and look ahead to tax planning opportunities for the coming year.

16. Become familiar with due dates. Here are some of the due dates you need to be aware of:

- Personal tax returns are due April 15
- Estimated tax payments for personal returns:
 - 1st Quarter due April 15
 - 2nd Quarter due June 15
 - 3rd Quarter due September 15
 - 4th Quarter due January 15
- Partnership and S-corporation tax returns are due March 15
- Corporation tax returns are due April 15
- Estate and Trust tax returns are due April 15.
- Estimated tax payments for corporate tax returns:
 - 1st Quarter due April 15
 - 2nd Quarter due June 15
 - 3rd Quarter due September 15
 - 4th Quarter due December 15

Six-month extensions are allowed for both personal and business tax returns. However, there is no extension on the time to pay your taxes.

17. Understand how late penalties work. For corporate and partnership filings, there is a penalty for not filing by the deadline even if no tax is due. Therefore, filing your tax return or extension in a timely manner is critical.

For personal returns, all penalties are calculated based on any balance due. Therefore, making sure any outstanding tax liabilities are paid by the due date (April 15th) is crucial.

Thank you for taking the time to read this. Do not hesitate to contact our office if you have any questions or concerns.