

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

PRODUCT & SERVICE GUIDE

A Time to Rest ... Just Not Too Long

Column: My Perspective

Darren Root • Jul. 01, 2009

From the July 2009 Issue

Tax season is but a distant memory. We are getting our lives back on track ... taking vacations and enjoying our friends and families. Nonetheless, now is the time to move your firm forward by thinking about new strategies and getting up to speed on new software and technologies. This issue provides information specific to tax document automation, which is a BIG deal in relation to enhancing workflow efficiency and deserves serious consideration. Allow me to offer an analogy.

Why does Wal-Mart have so many checkout lanes if so many are closed most of the year? The answer: So they will be prepared for their busiest time — Christmas. When consumers are ready to spend their money, Wal-Mart is ready to handle the volume and bring in the cash. Tax season is very much the same — firms queue lines of tax customers each season and need to be ready to handle the rush. To be successful, firms must have appropriate systems in place to efficiently manage the elevated workload. In order to have work/life balance during tax season, it is imperative that firms implement core processes that enable ultimate efficiency.

Many new technologies are available to help enhance a firm's tax workflow. First, many firms are investing in multi-function scanners in order to implement front-end scanning of source documents. Scanning on the front end eliminates manual sorting and data entry; it also allows a firm to assign an administrative employee to the task, freeing preparers to focus on higher billable work. With scanned documents in hand, firms can then take advantage of leading SaaS tax document automation systems. Leading systems identify forms with exceptional accuracy and organize them within a single bookmarked PDF. Preparers can then use the electronic document to prepare returns. No paper is required. Once returns are complete, the digital file can be electronically filed within the firm's document management system. The efficiency gains associated with an automated tax document process are phenomenal, and the solutions are cost effective. It's win-win all around.

This issue's tax document automation feature highlights several possible solutions to help you build your tax document automation process. The key is to understand the different solutions available and identify those that are a good fit for your firm. Additionally, as you think about tax document automation, be sure to consider portals. This is the direction the profession is moving, providing ultimate convenience for clients and offering a system that supports 24/7 communication. Think about portals for a moment. You complete a tax return; you instantly upload the return to a private, secure portal; your client is notified that the tax return is ready for review.

This equates to review and delivery in seconds, not hours. And it equates to a completely paperless process. Clients can review their returns in the convenience of their homes or offices. If changes are required, they can be applied quickly and easily via the Internet. Clients need not make the trip to your office. To complete the process, clients sign the e-file form and pay you using a debit/credit card or EFT. If clients need a copy of their completed return after-the-fact, it is instantly accessible from their portal to download and/or print.

Accomplishing an automated tax document workflow is easy because the technologies exist. As you read this month's issue, think about your firm's processes, existing technologies and capabilities. Then make a list of the competencies and tools required to move your firm forward. I will be giving presentations all over the country this year on The Next Generation Accounting Firm — based on my own tested and proven practice model. The information contained

within this presentation shows professionals how to create and maintain the firm's core system (via new technologies and best practices), so they can work on their firms and not just in them.

For more information, visit [RootWorks.com](https://www.rootworks.com)

and review the list of presentation dates and locations for one near you. As a practicing tax and accounting professional, I understand the challenges firms face and the need for increased workflow efficiency, which is why I am dedicated to supplying the profession with as much information as possible on how to operate their practices like a well oiled machine and enjoy true work/life balance.

Product & Service Guide • Article

CPAPA is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2023 Firmworks, LLC. All rights reserved