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Relax. Refresh. Reset. Navigating Payroll at the End of Tax Season

Tax season is ending which means that it's finally time to unwind and put the stress of the busy season behind you. Payroll still needs to be run during the offseason, but here are a few things you can do to relax, refresh and reset your buttons.

Taija Sparkman • Apr. 17, 2015

Tax season is ending which means that it's finally time to unwind and put the stress of the busy season behind you. While it would be nice to hibernate on an island until next tax season, payroll still needs to be run during the offseason. It may seem like there's no break in sight, but there are things you can do to relax, refresh and reset your buttons after tax season.

You may not be able to go on an extended hibernation, but a shorter one is just what the doctor ordered. Once you and your clients have finished filing and providing any follow-up documents that the IRS may have requested, take some time to recharge your batteries. Take a week or two, visit a relaxing place and take your mind off all things payroll and taxes. During the vacation, make sure to detach from work to allow your energy stockpiles to restore themselves. Working while on break from work can lead to even more burnout. Encourage your staff to take a break, as well.

Once you've returned from vacation, hopefully your head is clearer and you're ready to attack the day-to-day tasks. First on the agenda? Getting organized. If you fell behind during filing, now's the time to get back on track. Organizing files from this year's returns will ensure that you and your clients are ready to go for next year's tax season. It will also help you provide quality service to your clients. An organized database allows you to easily find your clients' files when they call you with questions or concerns.

Files that are in place and easy to access make it easier for you to have meaningful communication with your clients. You will be able to quickly pinpoint any clients that you need to follow up with regarding tax issues. In addition, you can ask pointed questions regarding their payroll and make relevant suggestions to improve their processes. Look through your files for clues for talking points. For example, if you helped implement a new payroll system this year, check to make sure everything is running smoothly. Find out if clients or their employees have any payroll related questions or need to make any changes to benefits, withholdings, etc. Many times, a good organizational system can make the difference between practitioners that intimately know their clients and practitioners that lose their clients.

After tax time is also a good time to reassess your resources. You may have ramped up staff at the beginning of the season, but may no longer need the extra manpower. It's also possible that the normal business load has picked up and your firm needs the extra staff. Evaluate the issues that were encountered during filing. Are there any issues that could have been prevented if your firm was properly prepared? If there are any areas to improve your staff's knowledge and training, now is the time to identify them. Create training programs that will ensure your staff has the knowledge they need for the next tax season.

Lastly, identify any potential new revenue streams. Are there any additional payroll services that you aren't currently providing to clients that could bring in extra revenue? Perhaps, there are clients that you currently provide consulting services to that you can bring into your payroll clientele. Upgrading service packages that you offer to existing clients is a great way to bring in extra revenue.

Tax season may be over, but your payroll business is not. Take some time to rejuvenate after the busy season, then invest back in your firm.

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