CPA
Practice Advisor

integration options, and mobile expense tracking apps that are focused on keeping solid records for ...

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With so much competition in tax compliance market, professionals either have to focus on quality or quantity in order to stay profitable. This means either focusing on the more lucrative high net worth clients with complex tax issues such as interrelated businesses, foreign income, and varied investments, or significantly increasing the number of more routine 1040 returns the firm prepares each year. Attaining more of the first group of clients is the ideal, but there are only so many to go around. Meanwhile, there are potentially millions of simple 1040 clients.

This competition and need for increased productivity has driven technology innovation in the last few years, from tax document automation, to increased integration options, and mobile expense tracking apps that are focused on keeping

Canopy features a data intake survey, which clients complete by accessing a portal where due dates can be included to ensure timely processing. The product also auto-populates IRS forms that are needed when preparing the case for clients. A collections analytics feature allows users to see what the best collection method is for each client's individual circumstances; whether that be Offer in Compromise, Payment Plan, or Currently Not Collectable. An automated resolutions service assistant allows users to answer a few quick questions and then offers recommendations for particular situations that involve liens, levies, penalty abatements and innocent spouse situations. Once the forms are prepared, clients can access and sign the documents using the portal.

Canopy also offers complete document management, so firms can upload an unlimited number of documents and other file types. All files can be stored on the individual client page, with the ability to make each file visible to the client. Canopy also offers a complete practice management solution, as well as free IRS transcript delivery, organizing all requested transcripts by year, and providing a summary of all transactions, penalties and interest automatically. Tax Resolution from Canopy runs $1,200 per user per year. The Free Transcripts option is free forever, and the Practice Management option is $800.00 per user per year.

Tax Caddy

TaxCaddy from SurePrep simplifies the gathering of necessary tax documents. CPA firms simply invite their clients to set up a free TaxCaddy account. The client can then immediately begin to upload documents directly from a variety of devices including PCs, Macs, tablets and smart phones.

What makes TaxCaddy so useful is that clients can snap a photo and upload a document at any time, so there's no need to remember to save receipts or track them down at the end of the year.

Clients would simply create a TaxCaddy account that is theirs to keep.   Clients can

In January of each year, clients using TaxCaddy receive notification that their organizer is available. The client can answer the questions from any location, using any device. All of the images and documents, along with the organizer then become available to the CPA to streamline into workpapers in order to begin preparing tax returns. The optional 1040SCAN product from SurePrep automatically organizes all documents received from the client's TaxCaddy account. Once completed, the tax return can be delivered to the client, signed, and returned to the firm all using TaxCaddy.

Xero TaxTouch

Designed for self-employed workers, freelancers and independent contractors like Uber drivers and others in the gig economy, the Xero TaxTouch app makes it easy to track work-related expenses so they are prepared when it's time to visit their tax professional. The app is available for iPhone or Android, and includes fast categorization of business expenses, the ability to attach photos of receipts, and even bank and credit card import functions for preparing Schedule C. A year-end report can be output to PDF or CSV. A free trial is available, after which the app is $5.99 per month per user, or $29.99 for the first year.

QuickBooks Self-Employed

Perefct for clients with Schedule C business income and expenses, QuickBooks Self-Employed makes it easy to record and categorize business transactions on the go. The system includes support for multiple bank accounts, lets users attach receipts, and includes mileage tracking features. Users can export data to their tax preparer, and it has a feature that keeps the user aware of quarterly estimated taxes. The app can be used on Androids or iPhones, or on computers. Pricing is currently discounted at $4

GruntWorx offer the ability to work with a variety of tax systems. Additionally, new integration tools like the Financial Institution Download feature for **Intuit ProSeries** and **Lacerte** are making it possible to download client tax documents from their financial institutions.

Technology