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Craig Smalley • Jan. 29, 2018

This time of year, we become very popular as tax accountants. We have friends that we didn't think we had, and everyone thinks that we have all the time in the world right now, to answer complex tax situations that someone has put off all year. These people can be acquaintances, actual friends, or family. The thing about family is that my wife Belsis is from Cuba. We have been together for 22 years, and I am STILL meeting cousins for the first time. Before my wife and I worked together, she didn't see a problem with all of this free advice, which led to a free return, but she does now.

I have had to limit the free returns I do to five per year. Further, I will not do a free return, where a friend, acquaintance, or family member, makes me work for it. For instance, I have a really good friend that needed his tax return done for 2016. According to him, he was too tired to get the W-2 for the year, and wanted me to obtain a Wage and Income Transcript for him. In order to do that, it would take two hours of my time. I finally asked him to simply email his Human Resources Department and ask for it.

Then the free returns always seem to come in around April 10th, and they require me to add receipts, and other things. When that happens this year, I will simply hand the receipts back to the one asking for a freebie, and ask them to categorize the receipts, and add them up on a spreadsheet.

The point I am making is that during this time of year, we make 40% – 50% of our money. It's one thing to do a free return, it is quite another thing to spend more time than I should have to to complete that return. Not to mention, that for full paying clients, we have a cut off date, of when we can accept information, and guarantee the return will be done. If we receive info after that cut off date, I file an extension, and

try to get the return done in time. Those that want their return for free, view that cut

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Compromise pro bono for her. Part of the offer, is that she had to file her return on time, and pay any tax due for five years, or it would undo the offer. She knew all of this. However, for three years, she would show up on the due date of the return, after 5pm at my house, and I would have to complete her return.

This is my 24th tax season, and our ritual is that on tax day, we close our office at 5pm, and I take the employees to happy hour. I get home around 7pm, and after working all of those hours, I am just happy for tax season to be over with. Then the knock comes at the door, and here is this lady. I ended that, in what my wife calls a mean way two years ago. Neither my wife's friend, or the mother has talked to my wife since.

These deadlines that we pick, are not arbitrary. I do all tax returns myself. They then go through a three person check, the return comes back to me where I look for differentials from the previous year, and if there are large swings in income and expense, I call the client, and put the notes in my file. The returns then go out to the client, and a review of the return is offered to the client. The entire process can take up to three to four days. I will not send out ANY return, until that process happens. Because of the time involved, we have to set a deadline on when we can receive information.

What I simply refuse to do, is add up receipts for free, categorize expenses, get transcripts, etc. If you stop and think about it, if someone is asking you to do all that extra work, on top of the actual return, they either have no respect for your time.

Where all of this is coming from, is a good friend of mine's fiancé was issued, what I thought was one 1099, when they should have been issued a W-2. As it turned out it was five 1099's that I had to complete five separate SS-8's. The fiancé literally hounded me day and night about these 1099's, and I made the decision then that I would do a total of five free returns. I would not do them if I had to do a ton of extra

work to finish them. Not to mention, those asking for freebies, 95% of them, I only

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