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## CONTRIBUTORS

# Stay 3 Steps Ahead: Actionable Tips to Help You Prepare for a Turbulent Tax Season

As you gear up for tax season, it's also a good idea to assess your strengths and weaknesses organizationally. This year, perhaps to a greater degree than ever, I predict the demand for strong, experienced finance leaders who can navigate the C-suite...

Jodi Chavez • Mar. 03, 2021



Let's face it: No one expected 2020 to go the way that it did. And while most businesses are certainly in better shape than they were this time last year, it's unrealistic to think that low overall productivity during the first half of 2021 isn't going to result in setbacks and challenges this tax season.

That's what we're in for, and forward-thinking tax professionals are putting in the work ahead of time to be fully prepared. Meanwhile, many business leaders and finance leaders, on the other hand, are likely wondering what they can be doing in turn.

Fortunately, I've got some helpful tips to share that should help you get there. There are a lot of "watch-outs" to be aware of, red flags to avoid as well as specific actions you can take that will help your business gear up for what promises to be a turbulent tax season. Here are three that are top of mind.

## 1. Don't Lose Sight of Deadlines

While most of our schedules look a little bit (ok, more than a *little* bit) different these days, that isn't an excuse to take a lax approach when it comes to deadlines and scheduling. Whatever method works for you — Microsoft Excel, Google Calendar, pen and paper — it's imperative to keep track of timelines this tax season. That's true for small businesses, and even more so for corporations.

Bear in mind, the IRS has *not* issued an extension of the filing deadline as of this writing, which means the deadline remains April 15, 2021. Companies can still request extensions, of course, but those can come with costly penalties. Unless you manage the schedule perfectly, in fact, doing so can put you on the hook for any number of penalties, as well as the payments for interest.

**Actionable next step:** Brush up on the [IRS 2021 tax schedule](#), and don't skip *anything* that might apply to your organization. This is required reading.

## 2. Understand the Tax Implications of Paycheck Protection Program (PPP) Loans

The Paycheck Protection Program injected some [\\$659 billion](#) of much-needed liquidity into small businesses' bankrolls, shoring up their payrolls and preventing the unemployment numbers from climbing beyond what were, at that time, already sky-high figures. In the heat of the moment and at the height of the pandemic, end-of-fiscal-year tax implications may not have been the first thing that recipients of these loans considered.

Well, now they have to, and it needs to happen fast. The potential tax ramifications are too complicated to break down or solve for you in this short blog, but I can point you to the right resource.

**Actionable next step:** Head on over to the Office of the Treasury's website to check out the [IRS's interim final rule on loan forgiveness requirements for PPP](#).

### 3. Think Through the All-Virtual Logistics

Any seasoned finance leader will bring to the table a wealth of experience working closely alongside auditors, accountants, consultants and others as tax day nears annually. But what about virtually? Honestly, this isn't something all that many can say they're truly, utterly and completely prepared for.

But that shouldn't be a source of anxiety. Just start preparing early, and establish the right communication channels and cadence for you, your team and any other stakeholders involved in the tax planning, preparation and filing processes. I think the biggest challenge, unfortunately, will be for small business owners who are relatively green, and who may not understand everything they need to provide. It's a challenge that can get amplified when everything is digital (and be sure to think about potential [cybersecurity vulnerabilities](#), too).

**Actionable next step:** Does that sound like you? No worries — you've just got some homework to do, and that starts with closely reading and analyzing the [IRS's Form 941 page](#) for small businesses.

### Look Ahead With Greater Confidence

Hopefully, the tips and actionable guidance I've shared in this blog have shed some light on a complex subject, helped alleviate your concerns and eased any feelings of uncertainty — because, hey, we've all dealt with way too much of that lately. As you gear up for tax season, it's also a good idea to assess your strengths and weaknesses organizationally. This year, perhaps to a greater degree than ever, I predict the demand for strong, experienced finance leaders who can navigate the C-suite, effectively build consensus and deliver on strategy will be at all-time peak levels. And for [finance-savvy software professionals](#), ditto. Yet given the all-virtual context, how will companies in need right now actually go about finding them?

I think I'll have to save that one for my next article.

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*With more than 22 years' experience in the staffing industry, Jodi oversees the field organization and provides direction for Tatum. Jodi is responsible for continuing to transform Tatum into a data-driven organizational search and consulting firm helping clients select the key financial talent they need to execute their business strategies.*

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