## **CPA**

## Practice Advisor

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

to offer fully outsourced business management, payment processing, invoice management, consulting, implementation, and training.

Isaac M. O'Bannon • Feb. 16, 2023



Running a small business has become more and more challenging over the last couple of decades. While more and more technologies offer to help entrepreneurs manage sales, clients, vendors, and countless other aspects of their business, the tasks can be overwhelming for many, especially when coupled with tight profit margins, just-in-time warehousing and production, supply chain issues, staff shortages, and the other realities businesses face in the 2020s.

Robin Hall saw these business challenges growing in the late 1990s, so she created a firm designed to help other small businesses with operational management. Initially

focusing on providing bookkeeping and payroll services, VARC Solutions has

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

Based just south of Houston, Texas, Robin has grown her practice to a 21-person team that helps more than 500 businesses across the U.S, Canada, and the Bahamas. They also help integrate third-party apps into QuickBooks, including TSheets, Fishbowl, Tipalti, Avalara, and Bill.com.

In the five years since the U.S. Supreme Court decision in South Dakota v. Wayfair, Inc., and the adoption of economic nexus laws in most states, Robin sees businesses slowly realizing they are at greater risk of noncompliance with sales tax rules across many states. The Wayfair ruling requires most businesses, regardless of size, to comply with sales tax laws in any state where they have customers (if they meet or exceed certain thresholds). Since there are more than 12,000 sales and use tax jurisdictions in the U.S., and each makes its own taxability and reporting regulations, this can be a massive task for even larger businesses, and virtually impossible for smaller ones.

To manage this sales tax challenge, Robin has been recommending Avalara to her clients. Through its partnership with Avalara for Accountants, VARC Solutions can provide referral services to clients to ensure they adopt the right tax technologies, helping them minimize risk and increase efficiency. Robin's team has also attained Avalara Certified Implementation Partner credentials, qualifying them to implement Avalara software directly for clients.

Robin notes that most business accounting software can't handle the complexity of sales taxes across multiple jurisdictions with the efficiency and accuracy of Avalara's automated sales tax engine. The cloud-based system integrates with most business accounting software solutions to automatically apply the latest sales tax rates and rules, and can then prepare, file, and remit payments to all the taxing jurisdictions. Comprehensive reporting features enable the business, and their accountants, to ensure compliance.

"We had a new, large client that had acquired a business with sales to customers in

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

penalties for errors."

Most of VARC's clients are smaller businesses that may not know they're at risk, or are just starting to realize it, perhaps after receiving a notice from a state agency. Robin and her team usually start with a sales tax risk assessment, which she provides for almost all of their outsourced bookkeeping clients. Robin has clients in nearly all industries but knows her team's expertise lies in helping businesses with bookkeeping and operations. They don't compete with their clients' accounting and tax firms, but instead work with them to provide the most accurate data possible; they get things CPA-ready.

"When clients come to us needing help with bookkeeping or invoicing or payroll, we also guide the discussion through other critical areas of their business operations, and that increasingly includes sales tax compliance," she says. "So many businesses are still noncompliant and would be hit hard by a sales tax audit. When they realize this, most are ready to take action. I think helping clients with their sales tax needs will be a big part of our ongoing growth."

She adds that when consulting with existing clients — especially when they're expanding into new states — the reporting capabilities in the Avalara AvaTax application easily underscore the advantages of automated sales tax compliance.

"It's so affordable to just let Avalara take over," she says. "It's seamless with the accounting programs; easy to set up; and handles state, local, and even special jurisdiction taxes. If it takes you an hour to do your sales taxes, with Avalara it will take about five minutes. If it takes you two days, how about one hour with Avalara?"

And that's what Robin loves most: Referrals to Avalara allow her clients to get back to doing the work that moves their business forward, rather than devoting time to

compulsory tax compliance. Outsourcing to Avalara saves time, reduces risk, and

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

Advisory • Automation • Sales Tax • Small Business

CPA Practice Advisor 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.

© 2024 Firmworks, LLC. All rights reserved