

How to Choose the Right Person to Prepare Your Tax Return

Although, it may not be ideal to wait until the deadline is a couple of weeks away, you can still find a competent professional who is much more knowledgeable about taxes and deductions than you are likely to be, says Ron Wagner, Oregon State Board of Tax Practitioners Director.

It's important to understand certain designations in the field of tax preparation. Certified public accountants (CPAs), public accountants and lawyers, although they may or may not be tax specialists, do not require a license specifically to prepare tax returns, the assumption being that they have studied state and federal tax law and are competent to prepare taxes as part of their services.

A tax preparer or tax consultant who accepts pay of any sort for filing tax returns for others **must** be licensed in Oregon by the Board of Tax Practitioners. They must display their license in their workplace and give you a written list of services and fees upon request. Tax preparers and consultants have received tax and ethics training, as required by law, and are considered tax specialists.

Some taxpayers can get help from organizations such as AARP, CASH Oregon and VITA. As volunteers, they don't charge fees and they don't require licensing. Volunteers may or may not be tax experts.

Online tax software programs involve a purchase price, but can adequately serve those with simple finances and without special circumstances.

Here is some advice about hiring a tax practitioner:

- At the very least, select a tax preparer or consultant who displays a license number, ensure the license is **active**, and have a good long phone conversation with that person. Ask for a list of clients. Ideally, you will call some **long-term** clients to see how satisfied they have been. Be cautious if a practitioner won't produce a client list. And, again, remember the purpose of getting such a list is to make the calls.
- Assemble a short list of possible tax practitioners (three or so) and ask to meet with each of them, if schedules allow.
- Recommendations from trusted friends and relatives may be a good place to start. Remember that audits lag behind tax refunds by a year or more. Acquaintances who are happy with their tax practitioners now may not recommend them if they receive notices of audit from the IRS or the Oregon Department of Revenue.

- If you take recommendations from those with circumstances similar to yours, ensure that the tax preparers' and consultants' licenses are active by visiting [Licensee Look-Up](#) on the Oregon Board of Tax Practitioners Web site.
- If you have a CPA, public accountant or lawyer on your list, remember that, although they must have credentials to sell their services, those credentials will be from the [Board of Accountancy](#) or the [Oregon State Bar](#).
- Unless you have checked [Licensee Look-Up](#), avoid taking personal and financial information to your first meeting; putting it into the extended hand of the first tax practitioner you meet can be dangerously easy.
- Be ready to ask – and answer – questions.
- Don't use size as the only indicator of quality. Large firms may have more expertise in house, but may use less proficient workers to do your taxes. Many capable tax practitioners work from their homes.
- Be skeptical of an office that blew into your neighborhood with the advent of tax season. The tax practitioners there may not be inept; after all, it makes sense for tax practitioners to avoid paying office overhead throughout the year. But proceed with extra care.

Tips to help consumers protect themselves at tax time

- Make certain the preparer is licensed.
- Never agree to pay a percentage of your refund as the preparer's fee. Request a fee schedule that lists tax-preparation fees separate from other services.
- Never allow your refund to be mailed to the tax preparer.
- If you owe taxes, make your payments directly to the IRS or Oregon Department of Revenue.
- Make certain the tax preparer returns all of your paperwork (W-2s, receipts, and other information) to you.
- Never sign a blank return; tax professionals must sign any tax returns they prepare (and provide a copy to you).
- Because the taxpayer is responsible for information entered on tax filings, always review your preparer's work before you sign.
- Report unlicensed income-tax preparers by calling the Board at (503) 378-4034.