

THE ULTIMATE GUIDE TO OUTSOURCING TAX PREPARATION

Getting More out of the Tax Season with
Outsourcing – What You Need to Know



www.qxas.us.com



INTRODUCTION

The tax season is a busy time for CPAs, EAs and accounting professionals. This is high-pressure time, when they are inundated with tax preparation tasks and more often than not a feeling of being overwhelmed is all pervasive. Sleepless nights are par for the course and most find it difficult to stay on top of their tax preparation commitments to clients.

If you are someone who is finding it difficult to battle demanding client deadlines and looking for a solution that will help you make the most of the tax season, that is do more work, in the limited time you have at your disposal, and still have time to invest in other strategic growth initiatives, this guide is for you.

Here we discuss tax preparation outsourcing as a means of solving your tax season worries. Irrespective of whether you are a one-man show or running a 1-10 people strong CPA firm, or more, outsourcing will help you do more in the tax season. It will help you generate more revenue, enhance profitability, and all this happens while your overheads are kept in check.



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IN-HOUSE VERSUS OUTSOURCED

The argument against outsourcing is that when you hire an in-house tax expert or a seasonal contractor, you have the advantage of face-to-face interaction. There is also a feeling of being more in control of the proceedings when someone is working right there in front of you. If there is any area of concern, it can be rectified immediately.

But, an in-house resource can be expensive and might not be such a good option when you want to control your overheads. The costs go far beyond just paying for their salary. You need to take into account equipment, software, training and other recurring costs.

Just to put such costs into perspective, here is some data:

Training Expenditure per Learner 2019-2020



<https://pubs.royle.com/publication/?m=20617&i=678873&p=27&pp=1>

This is where offshore tax preparation enters the picture to save the day. By contrast, when you are outsourcing tax preparation, taxes are prepared virtually by tax experts sitting out of their own offices in another geographical location. Communication takes place online, and you can choose from numerous flexible engagement models to get work done.

Yes, the personal touch might be missing, and we say 'might' because a reputed offshore tax expert has a well-entrenched system in place that drives seamless client communication. And, advanced collaboration and communication systems ensure you don't feel the distance.

Our in-house research says that clients are able to cut down their operational expenses by 50% when they outsource accounting work to us. This is the kind of cost savings you are looking at when you outsource and at the same time you are able to get taxes prepared quickly and accurately. With the expertise tax professionals at QXAS bring to the table, you are assured that tax preparation will be handled accurately, with zero compromises in quality.

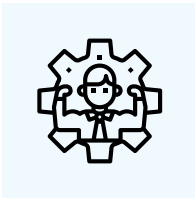


BENEFITS OF OUTSOURCED TAX PREPARATION



Access Qualified Staff

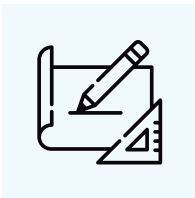
If tax accounting is not your core competency (don't be surprised, it isn't for some), you might be plagued with unqualified and/or untrained staff not preparing taxes on time or without confidence. By partnering with an outsourcing provider, your firm can handle tax functions with ease and stay compliant.



Strengthen Your Business

With the amount of competition on the market, there is a need to keep building resilience for your firm at all times, by adding to your services and investing in strategic growth initiatives. This might not be possible if all your time is eaten up by tax work. When you outsource all your tax work to your extended offshore team, you have more time for your business.

[Watch our Resilience Webinar →](#)



Strategic Planning

Outsourcing tax returns also helps you set in motion a plan of action. The provider will work on your current business needs and this allows you to set in motion an advance plan with the help of the provider. A reputed outsourcing service provider will have checklists in place that offer a low down on critical steps, deadlines and documents needed for effective and speedier tax preparation. This will allow you to collect the right data from clients and thus help you accomplish more.



Stay on Top of Changing Tax Landscape

Even in the best of times, there are plenty of changes in the tax code that impact people belonging to different tax brackets. But, this tax season is different because it is occurring in the pandemic. You need to keep up-to-date with IRS guidance on tax issues related to tax filing extensions, changes in federal, state and local tax, sales tax and more. As can be imagined, this is a tough ask, and it is advisable that you look for external help to manage tax returns.

You will also have to handle a deluge of client inquiries and will be hard-pressed to manage all aspects of tax returns with much-needed finesse. With outsourcing, you will have more than enough time to handle these inquiries.



Increase Productivity

Quick turnaround is like the pot of gold at the end of the rainbow in a busy tax season. Turnaround tax returns faster and you can do more work or at the very least stay on top of things. If not, you will always be playing catch up. The advantage with outsourcing is that you get the benefit of fast turnaround, at QXAS we have a 24-48 turnaround time frame, which is super quick. This results in your being able to take up more work, which in turn leads to improved revenue generation.



Profitability Boost

This is a continuation of the earlier point. With outsourced tax preparation, your firm's increased productivity isn't coming at a substantial cost. The bottom line is in check, which means you are earning more per tax return, which is increasing business profitability. Results of our client survey show without a doubt that outsourcing has helped clients increase business profitability by up to 50%

HOW TO SEARCH FOR THE RIGHT OUTSOURCING PARTNER?

The benefit of outsourcing tax returns can only be experienced if you are able to work with the right outsourcing partner. But in order to do that you need to find an offshore outsourcing partner who is an expert in US tax and legislation.

The internet (Google) is the first place you must search for the perfect outsourcing partner. Enter keywords such as individual tax return outsourcing, 'partnership tax return outsourcing', 'corporate tax return outsourcing', 'tax preparation outsourcing', 'tax return outsourcing' and more along the same lines and go through Google SERPs. Make a list of companies and start doing some drill-down research into them.

Look up their websites and evaluate their messaging and the information provided. Go through their resources, webinars, and podcasts. If you think they are the real deal, get in touch with them. Ask for client references and talk to their clients. Get a clear idea of the value they bring to the table and the quality of their services.

You could even search for these companies on LinkedIn. But the research process remains the same. Also, as someone who is active in the accounting industry, you will always come across names of companies who are offering tax preparation outsourcing or other accounting services. Keep track of what these companies are doing and their reputation on the market.

What's more, you will find emails from outsourcing providers in your inbox. While you might think much of it is spam, it is a good idea to go through their mails once in a while. Check up on the resources they are sharing to get an idea of their expertise levels. When the time comes, you already have some clarity in your mind as to the outsourcing provider you want to approach.



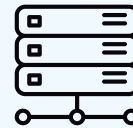
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QUALITIES OF AN IDEAL TAX PREPARATION OUTSOURCING COMPANY



Data Security

Financial information is on the radar of cybercriminals. A reliable outsourcing company will ensure your financial data is stored and shared securely. Look for a SOC2 compliant company that has implemented demanding and comprehensive security protocols to ensure data security.



State-of-the-Art Infrastructure

Robust infrastructure like QXAS includes data centers connected to the internet via multiple network providers ensuring 99.97% network uptime. The focus here should be on business continuity and being prepared for any eventuality that can interfere with the services offered to clients and having a contingency plan in place.



Software Knowledge

Seamless, hassle-free outsourcing can only happen if the provider works on the same accounting and tax preparation software you are using internally. So a good outsourcing provider will have expertise in all widely used software such as CCH® ProSystem fx® Tax, CCH Access™ Tax, TaxWise®, ATX, Drake, and more.



Communication Clarity

One of the major issues and probably a huge barrier to outsourcing is communication. CPAs, accounting professionals and accounting firms in the US are worried whether ineffective communication can act as a deterrent for quality services. Your perfect outsourcing partner should display good communication skills and the ability to get their point across.

IT'S THE RIGHT OPTION FOR YOU

Tax returns might seem like a fairly ordinary task in the larger accounting scheme of things, so why not outsource it? Don't think of outsourcing only as a way of getting more taxes done, quickly and at a fairly affordable cost. Think of it as a service that brings a slew of strategic benefits to the table.

When you outsource you are freeing up time to offer value-added services to your clients, such as wealth management, forecasting, investment planning and much more. By expanding your portfolio, you will be exploring newer and probably more profitable growth avenues. At QXAS US we offer immediately scalable services that will help take up your tax preparation burden. You focus on the activities that matter and which can deliver sustainable long-term returns for your business.

We are just a call away. If you want to outsource your tax preparation call us @ 1-800-310-9312 and 1-213-342-5007

GET A QUOTE



ABOUT QXAS

QXAS provides accounting, tax returns, bookkeeping, and payroll services to a growing number of CPAs, EAs and accountants across the USA. QXAS is a SOC2 compliant company and adheres to the most demanding security protocols.

If you would like to learn more about QX Accounting Services, visit:

<https://www.qxas.us.com/>.

qxas@qxglobalgroup.com | +1-800-310-9312 | +1-213-342-5007

