

Fort Rucker Preventive Law Program
LEGAL ASSISTANCE
SERIES

Income Tax Preparation
Services

THIS PAMPHLET

Contains basic information on income tax preparation services. If you have specific questions, call 255-3482 to make an appointment.



OFFICE OF THE STAFF JUDGE ADVOCATE
FORT RUCKER, ALABAMA 36362

Income Tax Preparation Services

Tax time is when many Americans consider getting help from an income tax preparation service. These services, however, may vary greatly in accuracy and cost. The following information will help you decide whether you need a tax preparer and, if so, to select the one that best suits your needs.

Do You Need A Tax Preparer?

Before you decide to hire a tax preparer make sure you really need to pay for assistance. The Army Tax Assistance Program is designed to provide trained assistance by soldiers for soldiers in the preparation of their taxes. Under this program, military lawyers of The Judge Advocate General's Corps work with the internal Revenue Service's Volunteer Income Tax Assistance. (VITA) Program personnel. VITA personnel train designated members of the military to assist soldiers in the preparation of their federal and state tax returns. Soldiers with unique or complicated tax questions are referred to a legal assistance attorney for assistance. On some installations, legal assistance offices prepare returns for thousands of soldiers, even those without complicated tax issues. Under this program soldiers are saved countless dollars that otherwise would have been spent in fees to commercial tax preparers.

If You Decide Not To Use The Army Tax Assistance Program

If you do not want to use the Army program, with a little help from the IRS, you may be able to do as good a job as a commercial tax preparers. Of course, this depends on the complexity of your tax situation. If you use the short (1040) form, the IRS will complete most of it for you and compute your taxes for free. If you have questions about how to complete your return, you may be able to get answers by using the IRS free informational resources. If you remain unsure about how to do your taxes, the following information may help you comparison shop for a suitable tax preparers.

Types Of Preparers

Preparers differ greatly in education and training.

An enrolled agent is certified by the IRS after having worked five years as an IRS auditor or after passing a government exam. Enrolled agents are authorized to represent you before the IRS.

A certified public accountant (CPA) has passed a professional qualifying exam. CPA's are also authorized to represent you before the IRS. *A public accountant* may have special accounting training, but lack certification and cannot represent you before the IRS.

An attorney has passed a bar exam but may or may not have special tax training. Attorneys are authorized to represent you before the IRS.

Any other individual described as a “tax preparer” may or may not have special training or experience. Some preparation firms require that their staffs have extensive training and experience, while others have less rigorous requirements.

Choosing A Preparer

The more complex your tax situation, the more you may want the advice of someone with specialized experience. However, you may be charged more for the advice of these professionals. Many taxpayers, such as retired people, owners of small businesses, professionals, and people with large amounts of income from source other than salaries, wages, and tips, may especially benefit from using a preparer with specific experience in their area. To find the preparer that best suits your needs, call several and ask:

What is your training or experience in preparing tax returns?

How do you check for accuracy? Will someone else double-check my return? If so, will it be reviewed for arithmetic errors only or also for errors in tax-law interpretation?

Approximately how much will preparing my taxes cost? How is that fee determined?

Where can you be reached later in the year, if I need help with an audit?

Can you represent me if IRS audits my return? What will you charge?

What To Expect?

When you visit the preparer, expect certain practices. A preparer should go through a checklist of deductions to see if any apply to you. A preparer should also sign your return and enter his or her name and social security number (or federal identification number).

A preparer should not guarantee you a refund before completing your return or suggest that you take nonexistent deductions or commit other improprieties. A preparer should not ask you to sign a blank return or one completed in pencil.

It's Up To You

Even though you have hired someone to prepare your returns, you are personally liable for any additional tax, interest, or penalty, even if you have a written guarantee that the preparer will pay any interest or penalty assessed as a result of his or her work. Here are some ways to help you get the best possible work done on your return:

1. Read your tax booklet or the more comprehensive IRS publication “Your Federal Income Tax” (publication #17). It is available free from the IRS Forms Distribution Center in your area.

2. Gather and bring to the preparer any information or document that might apply to your taxes including your last year's return. Remember, too much information is better than too little.

3. Make a list of any tax-related questions that occur to you and ask the preparer about them.
4. After your return is prepared, check it to make sure all the information is correct.
5. You will have an advantage if you complete your tax return early. The earlier you get your taxes prepared, the more time busy tax preparers will have to do a thorough job for you.

If you have any questions about this tax program or about a tax matter, see your Legal Assistance Office.