

How CPAs Can Help You

CPAs, or Certified Public Accountants, can help you in your individual or business accounting and tax preparation in many ways. With the laws surrounding accountancy such as generally accepted accounting practices for businesses, and tax laws that change every year for individuals, hiring a CPA to perform your accounting services needs is the best way to ensure that your accounting is error free in case of IRS or other audit.

CPAs are Certified Public Accountants, certified by the Board of Accountancy. These CPAs can perform a variety of services to small businesses, large corporations, or individuals. They are accountable to government agencies for their ethics and business practices, which ensures that you the consumer are protected from fraudulent activity by CPAs, and giving you security in knowing that your accounting is in good hands.

CPAs can perform general accounting, audits, or tax services. CPAs must have a college education in accounting, and an examination prepared by the American Institute of Certified Public Accountants (AICPA). A CPA can be self-employed individuals acting on their own behalf and that of the CPA's clients, or they can be employed within a public accounting firm in tax or audit services.

Having a CPA prepare your business or individual income tax return is a great way to avoid errors, not to mention the prying eyes of the IRS and an audit. A CPA must undergo continuing education as accounting and tax laws change from year to year. Therefore, only a CPA can ensure that your tax return is completely accurate. Not only is accuracy important to the IRS and in case of an audit, but it is important to your immediate financial future as well. Because a CPA has intimate knowledge of tax laws and available exemptions, a CPA can make sure you get the largest refund possible.

In the case that you are chosen for audit by the IRS, your best bet to come through the audit cleanly is to have a CPA by your side. A CPA is as familiar with tax law as the IRS representative performing the audit. Because of this, the CPA can negotiate a lower penalty, help you avoid penalties, and help you claim the deductions you deserve. You should contact a CPA as soon as you have received an audit notice from the IRS, because the CPA can help you prepare for your audit and gather the necessary information. Then, the CPA can walk into the audit interview by your side, completely in charge and confident of the outcome of your audit.

If you own a small business, a CPA can also help you determine what business taxes are required by your local, state, and federal government. In addition,

the CPA can help you set up a double entry accounting system that includes a journal and ledger. The CPA can also help you to set up a standard chart of accounts for use with your ledger. All of these tools will help you stay organized and ready for tax time and any possible audits. The CPA can also use the information from these tools to create financial statements for your business, which will then help you to make business decisions, make comparisons with competitors, discover industry and company financial trends, and prepare financial reports and business plans for purposes of investors and bank loans.

Whatever the financial service required, a CPA is your best bet. With a CPA, you have the security of a licensed, monitored professional along with the peace of mind that all of your accounting is accurate and ready for any possible audit.