

# 7

## Client Queries That Tax Preparers Must Answer Confidently

### 1. Do I Really Need to File This Year?

This is a common question for clients who have experienced a change in circumstances, such as retirement, a low-income year, or becoming a dependent. Start by checking their income against the current year's standard deduction. Mention triggers such as the \$400 self-employment threshold. If they're required to file and don't, penalties and interest start adding up.



### 2. Why Is My Refund Different This Year?

A side-by-side comparison helps. Use your tax prep software for tax preparers to show how line items like adjusted gross income and total tax shift from one year to the next. Point out things the client may have forgotten, like a bonus, a crypto sale, or unemployment income where taxes weren't withheld.

### 3. What Documents Do You Actually Need From Me?

Help clients by outlining what applies to their specific situation. Explain the reason behind the requests. The IRS matches what's on the return against what they already have on file. Missing documents can trigger delays or follow-up notices. When clients understand that, they're more likely to come prepared.

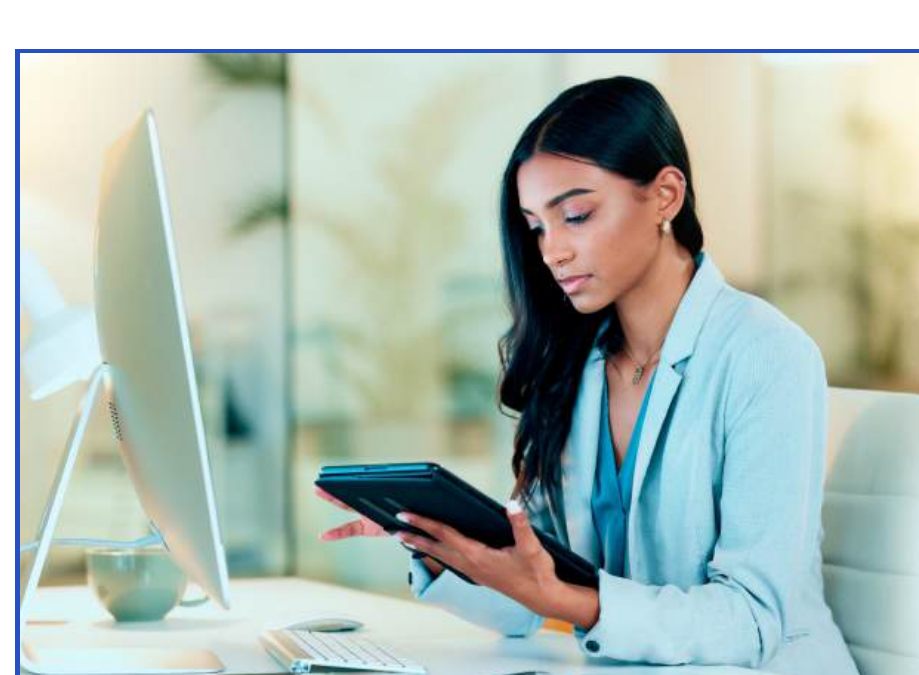
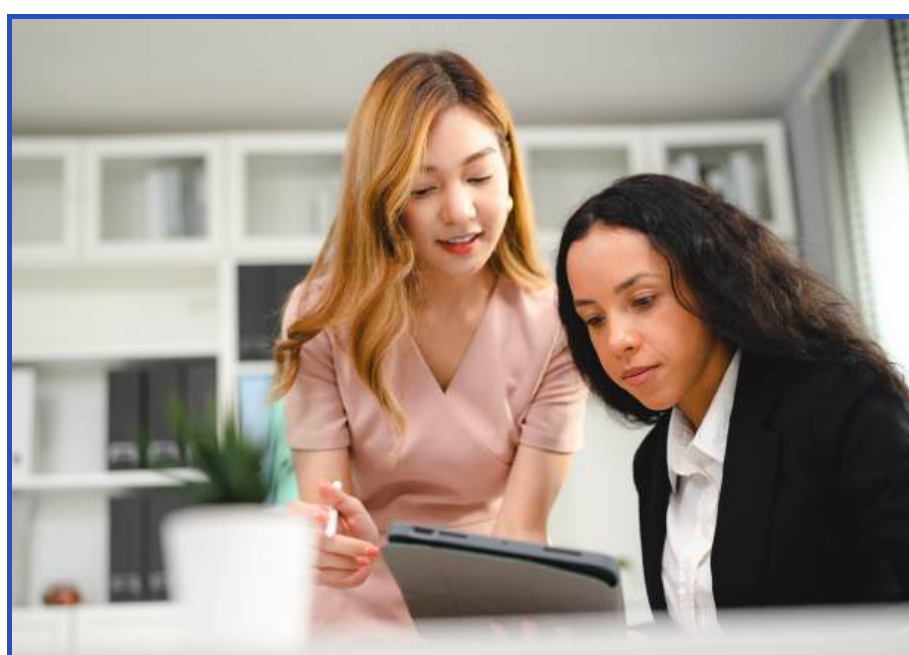


### 4. Can I Deduct This Expense?

Another question you're likely to hear often is whether a specific expense qualifies as a deduction. For business owners and contractors, the answer depends on whether the expense is ordinary and necessary for their work. If it's a mixed-use item like a cell phone, explain that only the business portion can be deducted.

### 5. What Happens If I Owe Instead of Getting a Refund?

This question comes from the fear of an unexpected bill and not knowing what to do about it. Start by explaining the cause. Maybe their income went up, but their W-4 stayed the same, or a child aged out of a credit. Let them know that owing a small amount isn't always a bad thing.



### 6. How Long Should I Keep My Tax Records?

Record retention questions come from clients who want to declutter but worry about throwing away something they might need later. Let them know the timelines depend on the document type. It also helps to mention keeping property records for as long as they own the asset, plus seven years after selling it. With this information, clients can manage their own records without second-guessing what's safe to toss.

### 7. Is My Information Really Secure?

As more tax processing happens online, clients are concerned about data breaches and identity theft. Let them know that their data is protected through multiple layers of security. Mention the use of cloud-based tax software if your firm uses it, which stores information on secure servers with access limited to authorized staff.



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