

Experienced Tax Preparers Pay Off

Tax preparation for construction related businesses is a maze of complexities. With differing rules for custom home construction, spec home construction, multi-family construction, commercial construction, remodelers, sub-contractors, residential and commercial developers, using a tax preparer experienced in the construction field is a must. They not only will be able to navigate the maze, but will likely save you a ton of money in the process.

Unless your return is very simple, do not attempt it yourself. Internal Revenue Service (IRS) regulations change almost daily. You see a doctor for your medical needs; you call an attorney with legal questions; hire a professional to prepare your taxes.

How do you find the right professional? Here are some tips.

- Ask successful contractors in your area for recommendations.
- Do not retain a preparer who bases their fee on a percentage of your refund. It is not only unscrupulous; it is also illegal for licensed professionals.
- Check the preparer's history with the Better Business Bureau, State Board of Accountancy (for CPA's), or the Washington State Bar Association (for tax attorneys).
- Ask the potential preparer if they are willing to represent you at an audit.

Finally, make sure you understand, and are comfortable with, the information on your tax return before you sign it. Federal tax revenues are down 40% in the last year and IRS auditors have become very aggressive. Remember you are ultimately responsible for the accuracy of your return, even if someone else prepares and signs it.