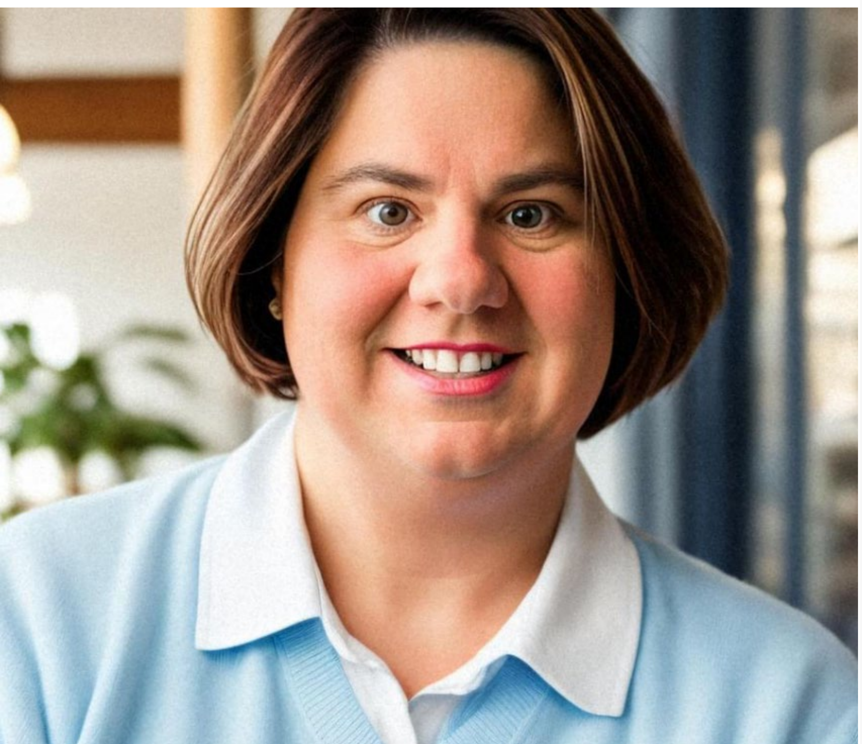
The Radical CPA

Leverage Technology to Enhance Your Tax Practice: Insights & Strategies for the Modern Tax Professional

Jody Padar, CPA

The Radical CPA



Jody Padar, The Radical CPA

Evangelist for disruption, tech and change

Top 100 Most Influential People In the Accounting Profession

Author:

Radical Pricing:
How to Optimize Profits, Delight Customers, and Build a Top-Value Firm

The Radical CPA:
New Rules for the Future-Ready Firm

From Success to Significance:
The Radical CPA Guide

The Radical CPA

Introduction and Session Overview

Purpose:

Why NOW?.

Objectives:

Emerging technologies shaping tax practices.

Identify actionable steps for workflow efficiency and client service.

Agenda:

Four key focus areas:
Importance of technology
Leading tools
Navigating tech driven changes,
Achieving growth.

The Evolution of Technology in Taxation

Historical Context:
Briefly cover the evolution from paper based filing to today's digital systems.

Tech Milestones:

- Introduction of early tax software in the 1980s and 1990s.
- Shift to cloud based solutions in the 2000s.
- AI driven analytics and predictive tools in recent years.

Why It Matters:
Tax is increasingly data driven; evolving tech is essential to keep pace.

Challenges Faced by Tax Professionals Today

Key Issues:

High Volume of Data: Managing complex datasets manually is inefficient and error prone.

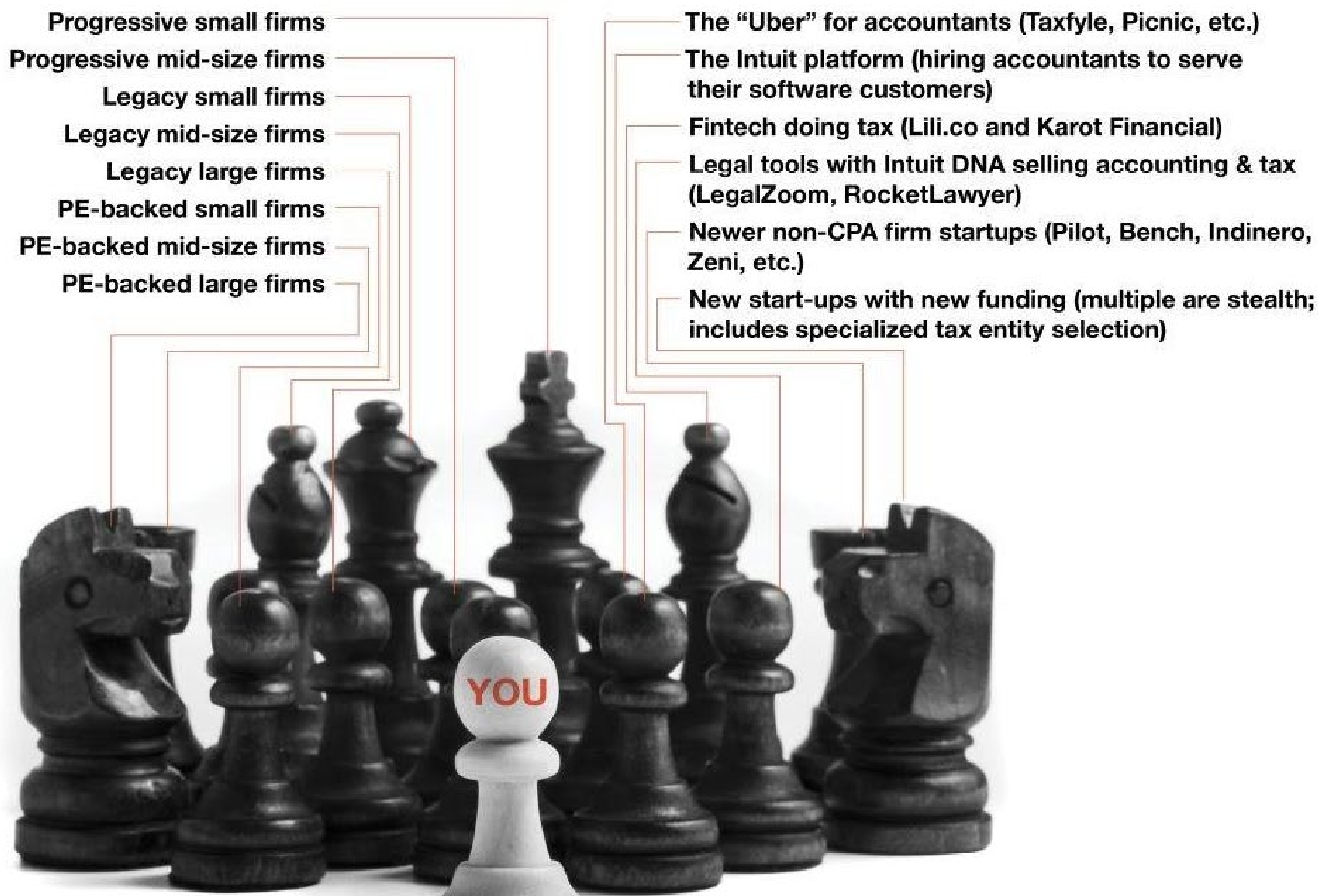
Frequent Regulatory Changes: Staying updated on tax laws is challenging without tech assistance.

Client Expectations: Clients demand quicker, more personalized services.

Impact: Limited capacity for growth, missed opportunities for advisory services, and risk of errors.

The Radical CPA

The Accounting and Tax Market Today



The Radical CPA

The Crucial Role of Technology in Tax Practices

Competitive Edge:
Technology differentiates firms by offering more value to clients.

Operational Efficiency:
Example: Automating repetitive tasks to free up time for advisory roles.

Enhanced Decision Making:
Data driven tools help professionals make informed tax planning decisions for clients.

Technology in Tax: Key Benefits

Efficiency:

- Automated workflows cut down processing time.
- Cloud solutions enable teams to work on the go.

Accuracy:

- Automated error checking reduces miscalculations.
- Advanced data validation minimizes incorrect filings.

Client Service:

- Client portals provide real time updates and secure document sharing.
- Chatbots and AI driven support improve responsiveness.

Choosing the Right Technology for Your Practice

Considerations:

Compatibility: Ensure new tools integrate with existing systems (e.g., CRM, ERP).

Scalability: Tools should grow with your firm.

Support and Training: Invest in tools with robust customer support.

Example: Comparing different tax software and why one may fit your specific needs better.

State of the Art Tools for Tax Professionals

Highlight Software:

Tax Preparation Software: Automates tax filing, improves accuracy.

Document Automation

Document Management (e.g., Sharefile): Simplifies client signatures and document storage.

Workflow Management (e.g., Karbon): Keeps team tasks organized and deadlines clear.

Key Features: Automation, cloud access, AI analytics, secure data handling

The Radical CPA

Automation in Tax Workflows

Role of Automation:
Automates repetitive tasks, such as filling client data and autogenerating forms.

Benefits:
Example: Automating client data retrieval can save hours per case.
Improves compliance by ensuring forms are consistently completed.

.

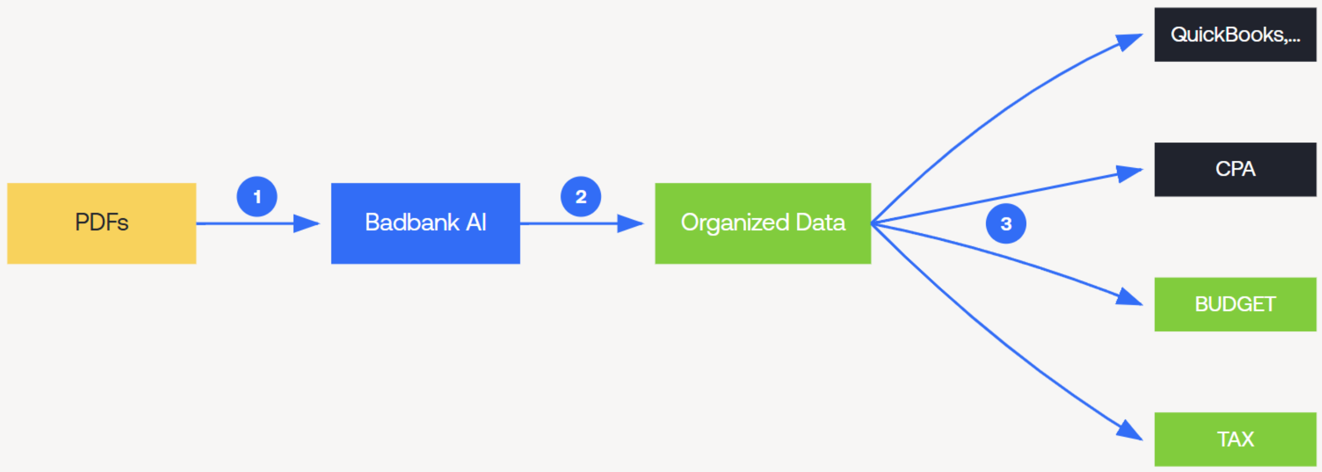
badbank.ai

Pricing Simplify Solutions About Sign in Sign up

Simplify Your Accounting

3 Easy Steps to Transform Your Financial Data

Process up to 48 statements per group and multiple groups simultaneously.



Artificial Intelligence and Machine Learning in Tax

Overview:

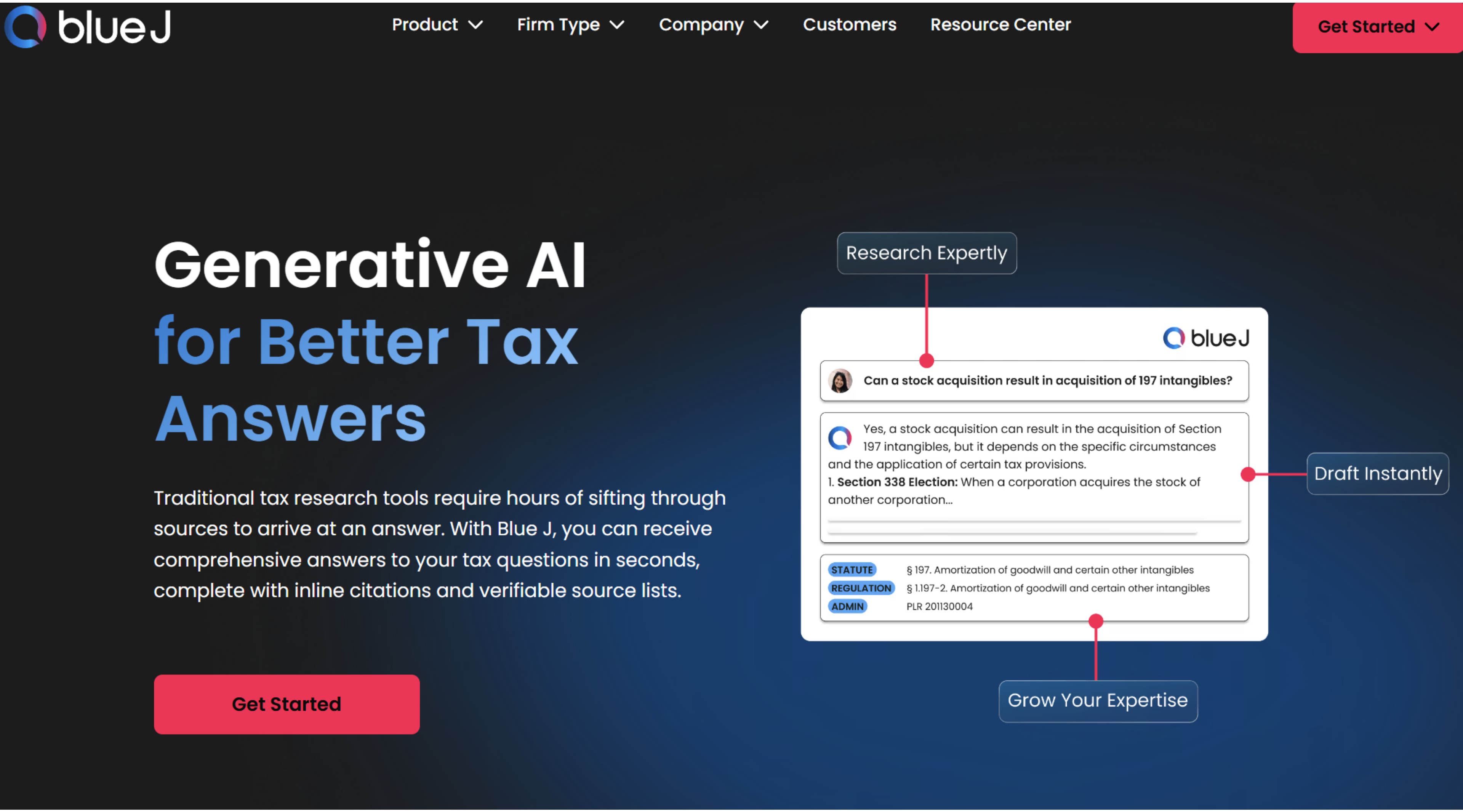
AI identifies patterns, predicts tax outcomes, and provides insights.

Use Cases:

Tax Research

.

Example: Using machine learning to analyze Research and write simplified client memos


blueJ
Product
Firm Type
Company
Customers
Resource Center
Get Started
Generative AI
for Better Tax
Answers
Traditional tax research tools require hours of sifting through sources to arrive at an answer. With Blue J, you can receive comprehensive answers to your tax questions in seconds, complete with inline citations and verifiable source lists.
Get Started
Research Expertly
blueJ
Can a stock acquisition result in acquisition of 197 intangibles?
Yes, a stock acquisition can result in the acquisition of Section 197 intangibles, but it depends on the specific circumstances and the application of certain tax provisions.
1. Section 338 Election: When a corporation acquires the stock of another corporation...
Draft Instantly
STATUTE § 197. Amortization of goodwill and certain other intangibles
REGULATION § 1.197-2. Amortization of goodwill and certain other intangibles
ADMIN PLR 201130004
Grow Your Expertise

Artificial Intelligence and Machine Learning in Tax

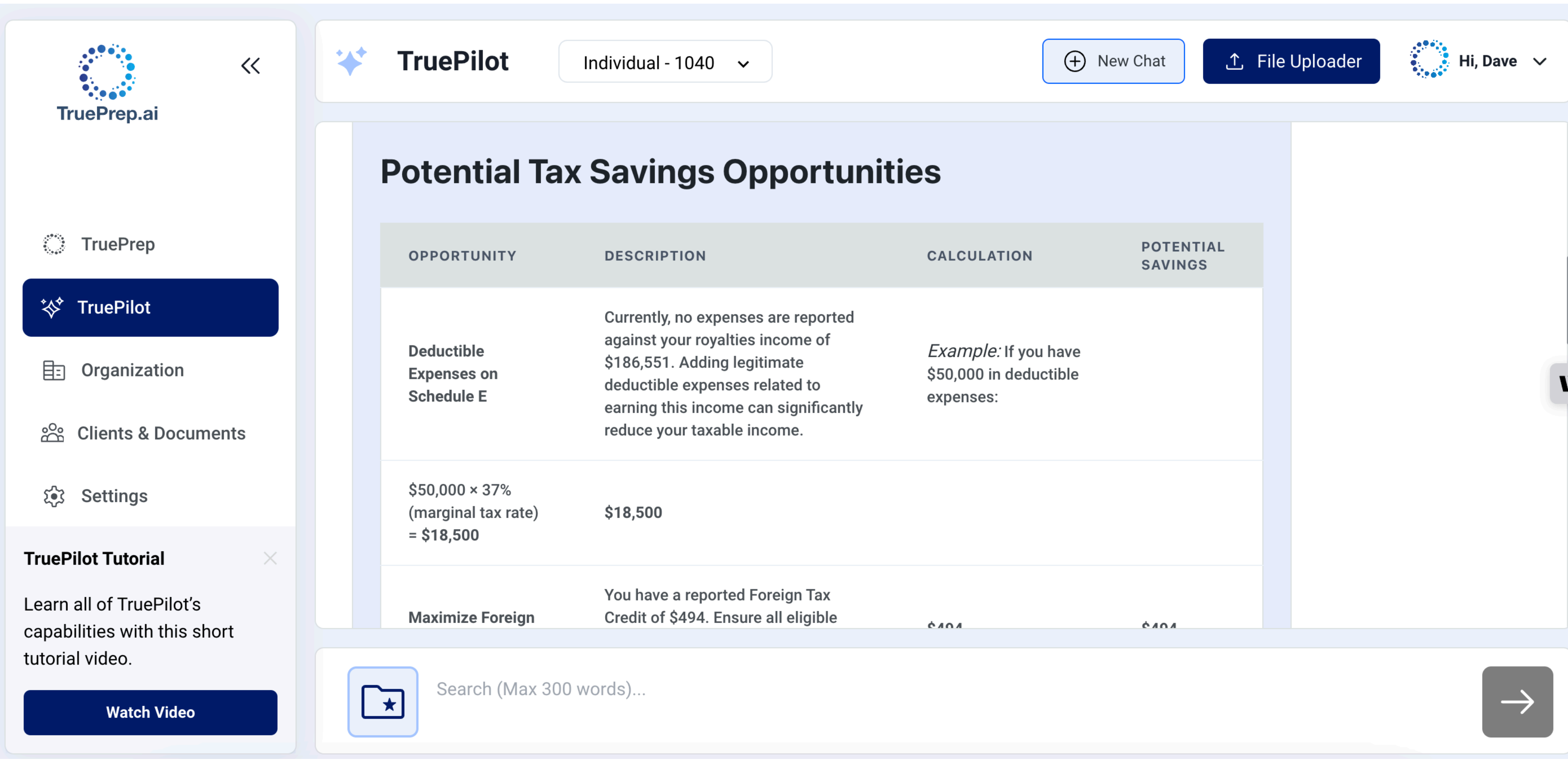
Overview:

AI identifies patterns, predicts tax outcomes, and provides insights.

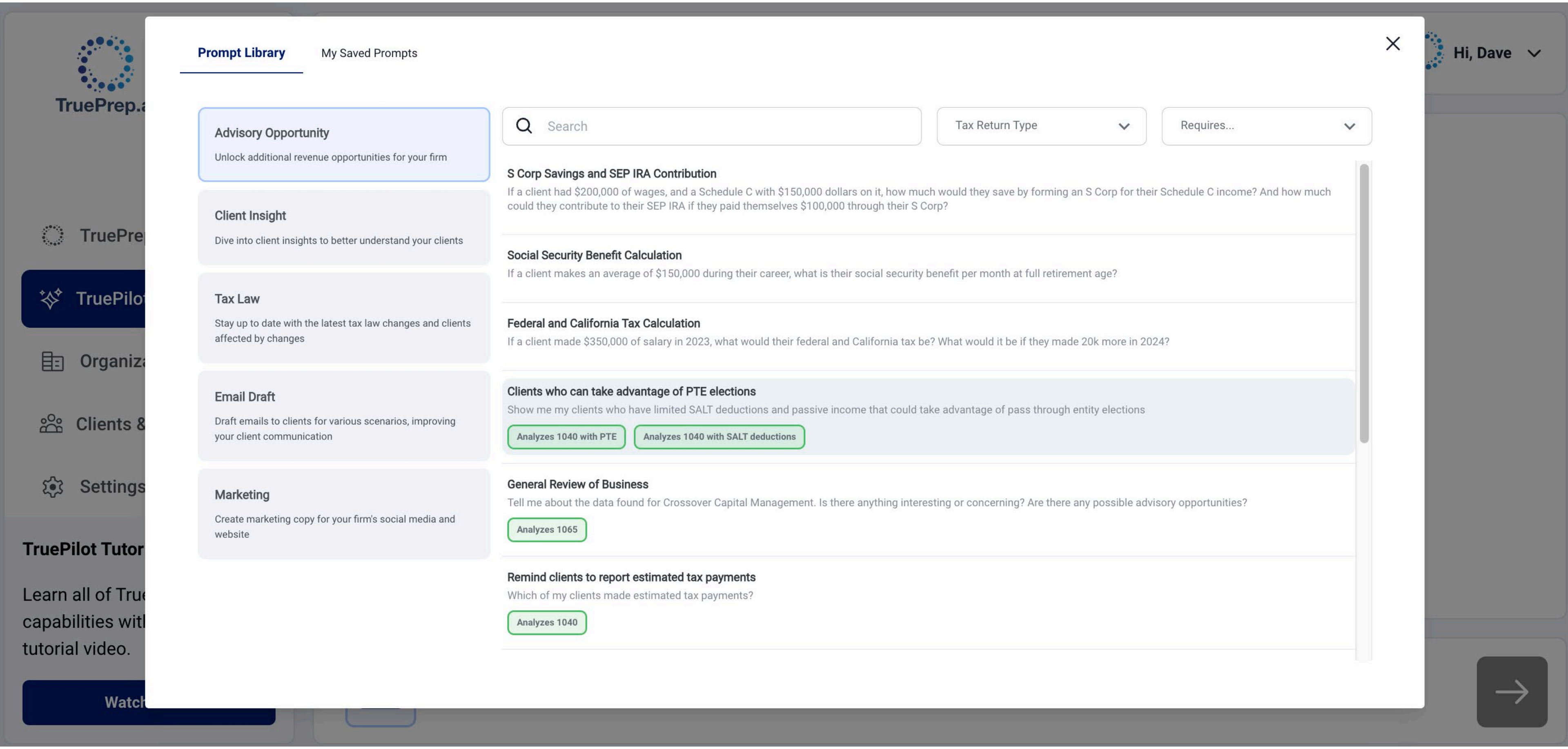
Use Cases:

Predictive tax planning for more strategic client advice.

Example: Using machine learning to analyze client data and identify potential tax savings.


TruePrep.ai
TruePrep
TruePilot
Organization
Clients & Documents
Settings
TruePilot Tutorial
Learn all of TruePilot's capabilities with this short tutorial video.
Watch Video
TruePilot
Individual - 1040
New Chat
File Uploader
Hi, Dave
Potential Tax Savings Opportunities
OPPORTUNITY
DESCRIPTION
CALCULATION
POTENTIAL SAVINGS
Deductible Expenses on Schedule E
Currently, no expenses are reported against your royalties income of $186,551. Adding legitimate deductible expenses related to earning this income can significantly reduce your taxable income.
Example: If you have $50,000 in deductible expenses:
$50,000 × 37% (marginal tax rate) = $18,500
$18,500
Maximize Foreign
You have a reported Foreign Tax Credit of $494. Ensure all eligible
Search (Max 300 words)...

The Radical CPA



Data Analytics in Tax Practices

Data Driven Insights:

- Analytics help forecast tax liabilities and plan more strategically.

Use Cases:

- Trend analysis for historical tax performance.
- Client behavior analysis for personalized tax recommendations.

Tools

- Tableau for visualization, Power BI for business analytics.

The Radical CPA

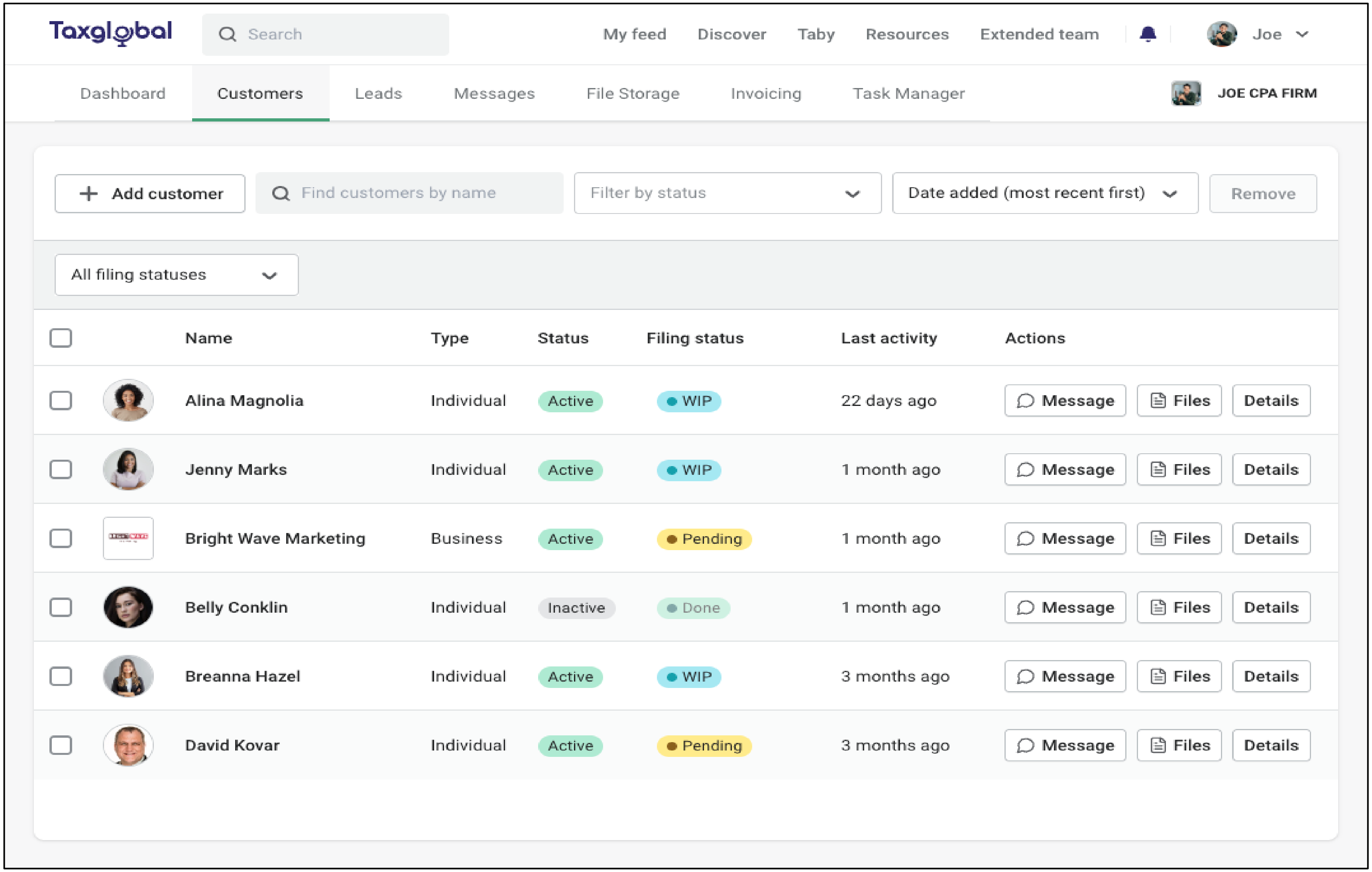
Integration of Tools for a Unified Workflow

Why Integration Matters:
Streamlines processes and minimizes data reentry.

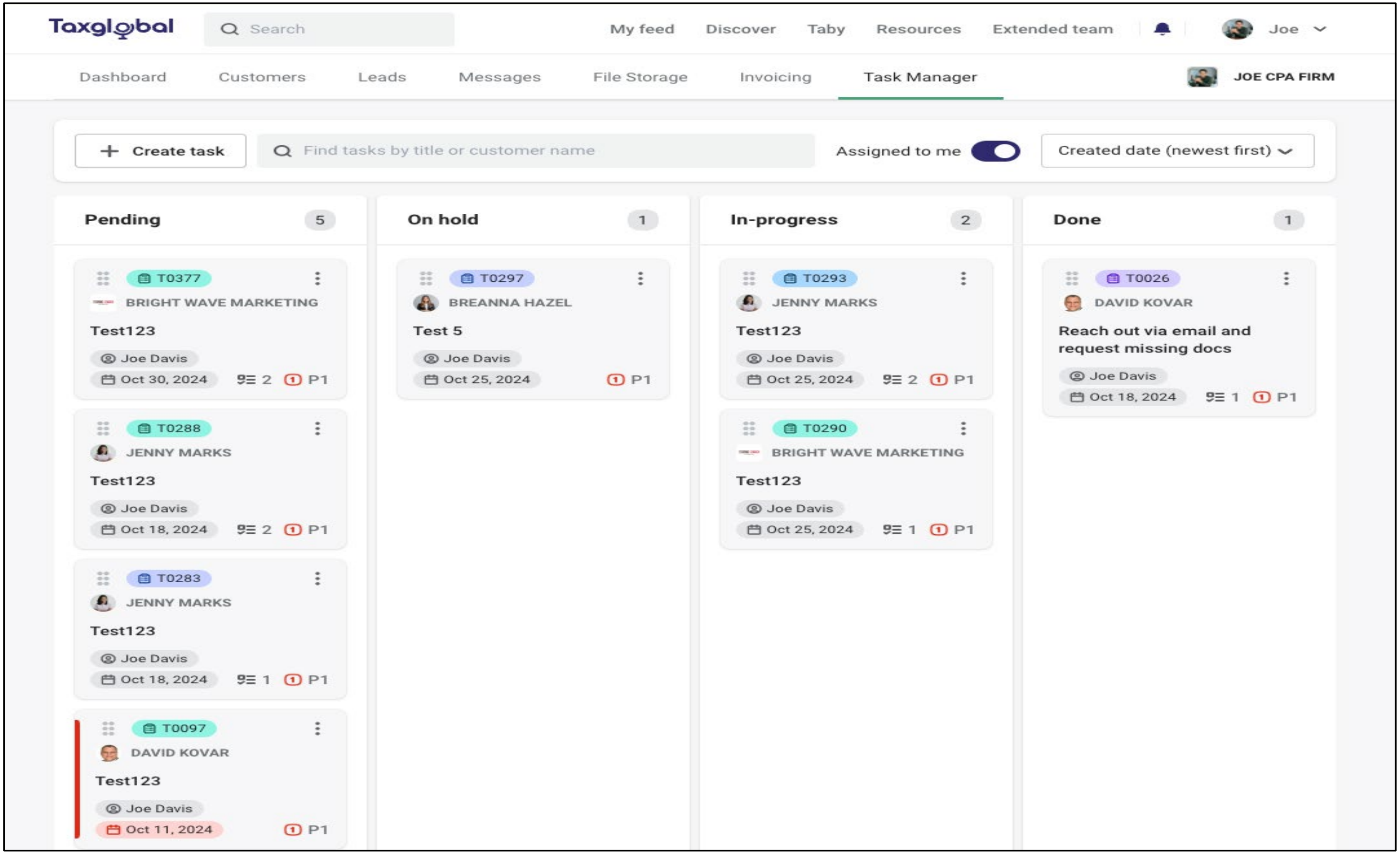
Examples:
Integrating CRM with accounting software for consolidated client insights.
Using Zapier to connect various platforms.

Benefit: Allows tax professionals to access all client related info in one place, saving time and reducing errors.

The Radical CPA



The Radical CPA



Cloud Technology and Remote Access for Tax Firms

Advantages:

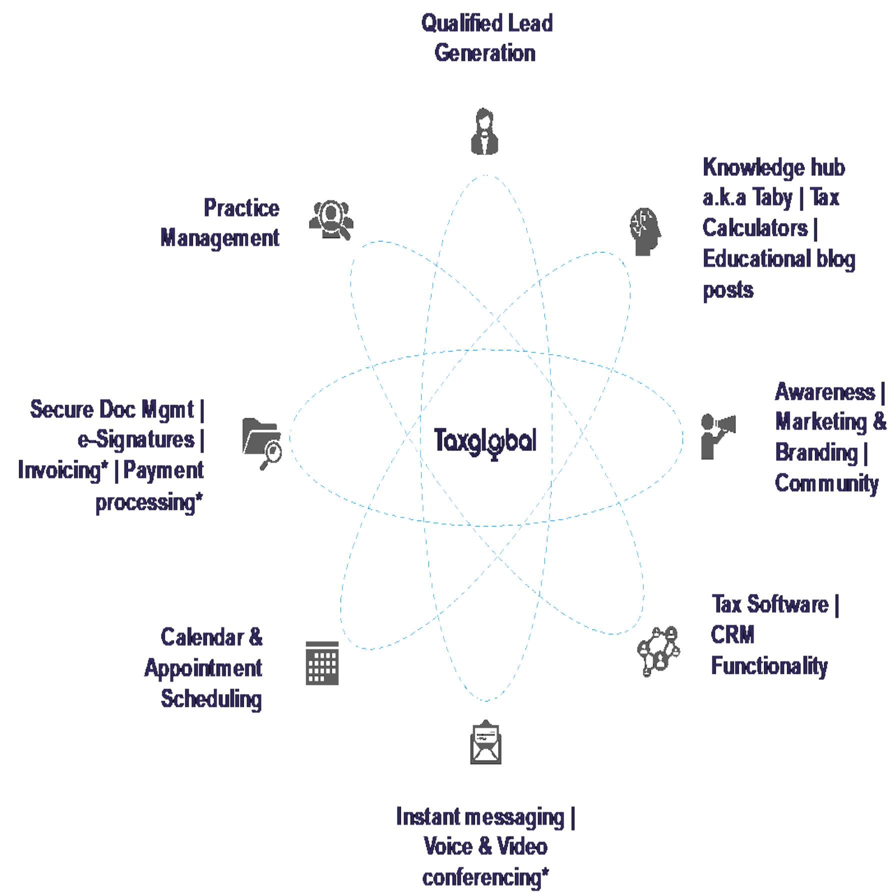
Remote access for team collaboration.

Secure data sharing with clients.

Security: Importance of encrypted data storage and access control.

Example: Firms using Xero or QuickBooks Online for real time access and seamless integration with client accounts.

- Lead Generation
- Brand Building
- Email/ Communication
- Doc Management
- E-Signatures
- CRM/Outreach marketing
- Research
- Tax Software
- Billing, Invoicing & payments



A traditionally effective accounting and finance practice would have to use **multiple disconnected systems** with linked together with complex integrations to perform their day-to-day tasks

The Radical CPA

Improving Accuracy with Technology

Error Prevention Tools: Software with built in error flags and validation checks.

Example: Efile software that flags potential errors before submission.

Impact on Reputation: Clients trust firms that maintain high accuracy.

Enhancing Client Service with Technology

Client Portals:
Secure, round the clock access for clients to view documents.

Communication Tools:
Chatbots for instant client responses and automated updates.

Example: A tax firm using personalized client portals to share tax plans and estimated payments.

Compliance and Security Concerns

Data Security: Encryption, multifactor authentication.

Regulations: IRS guidelines on data handling and compliance for digital firms.

Best Practices: Regular audits, secure backup, and clear data retention policies.

Embracing TechDriven Changes in Taxation

New Tech Regulations:
Efiling requirements, digital ID verifications.

How to Adapt:

Proactive updates on regulatory changes.

Training sessions on regulatory compliance for staff.

Example: Adopting esignature solutions to meet digital documentation standards.

Case Study: Growth Through Technology

Overview:

Share a story of a tax firm that leveraged technology for growth.

Challenge:

Manual processes slowing down workflows.

Solution:

Implementation of automation and cloud solutions.

Result:

Increased efficiency, improved client satisfaction, and a 20% growth in clientele.

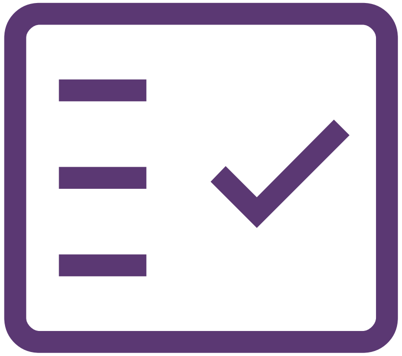
Preparing Your Firm for the Future

Adoption Strategy:

- Set clear tech goals and KPIs.
- Regular staff training and adaptation to new tools.

Roadmap Examples:

- Quarterly tech reviews.
- Setting up a dedicated tech adoption team or champion.



The Radical CPA

ROI on Technology Investments

Calculating ROI:

Formula: ROI = (Net Profit from Investment Cost of Investment) / Cost of Investment.

Example Calculation: Savings on labor through automation that offsets initial setup costs.

Long Term Gains: Highlight how technology can reduce overhead and expand service offerings.

Practical Steps to Implement Technology in Your Practice

Step by Step Process:

- Identify needs through workflow analysis.
- Choose tools based on current gaps and future scalability.
- Onboard and train staff for smooth integration.

Overcoming Barriers:

- Address resistance by showing benefits.
- Spread costs over time through phased implementation.

Conclusion and Key Takeaways

Summarize:

- Technology as a growth enabler for tax practices.
- Key tools and techniques that transform workflows.

Final Call to Action:

Encourage the audience to assess their current tech setup and make a plan for improvement.

The Radical CPA

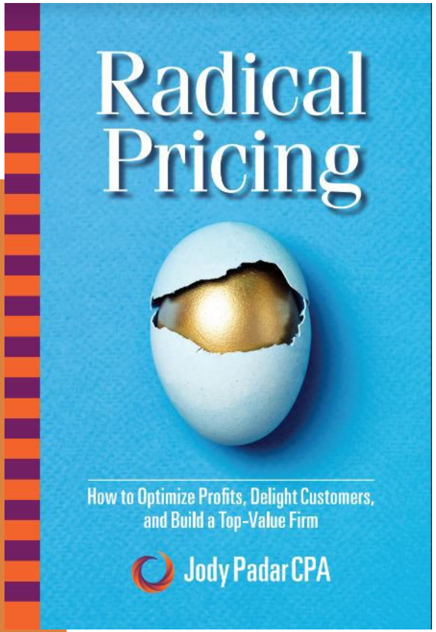
Q&A Session

FREE Subscribe:
https:/ / theradicalcpa.substack.com
Buy the Book:
cpa.click/ RadPricing
www.cpatrendlines.com
Coupon:
Radical10p

"Jody has always been ahead of the game with respect to ideas and the future of the CPA industry"

Joe Gallegos, CPA
Subscribed

THERADICALCPA.SUBSTACK.COM



Jody Padar
The Radical CPA

The Radical CPA

The Radical CPA

Thank you