

12 Advantages of a Career as a Tax Pro

By Charles E. McCabe

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A career in tax preparation has always been rewarding. Recent changes and trends in the tax preparation industry driven by technology, legislation and demographics will make the outlook for tax professionals even more attractive. Below are 12 reasons why tax preparation may be more rewarding for you.

1. Savings on Your Own Taxes

How much money do you pay in income taxes each year? For most middle-income taxpayers, somewhere between 1/4 and 1/3 of earnings are paid out in federal and state income taxes. This adds up to a great deal of money over one's lifetime. Tax knowledge will enable you to minimize your income tax liability and potentially save thousands of dollars over your lifetime. You will also save on tax preparation fees!

2. High Income Potential

Experienced tax preparers may earn \$25 per hour or more and self-employed tax professionals can earn more than \$100 per hour. During the 3-month tax season (mid-January to mid-April) it is possible for a self-employed tax preparer to earn \$50,000 or more. Year-round income opportunities also exist for tax preparers who provide taxpayer representation or related services such as small business bookkeeping, payroll and financial planning.

3. Fast Track to a Professional Career

Most people think of tax preparation as requiring expertise in accounting and high-level math. The reality is that tax is law, not accounting. Becoming a tax professional requires no previous accounting experience and only basic arithmetic skills. A college degree is not a requirement. The most important attributes for success as a tax preparer are the ability to read and comprehend the tax laws and excellent people skills. You can become a tax preparer in 10-weeks or less by completing The Income Tax School's 60-hour [Comprehensive Income Tax Course](#). This course helps you to meet all of the IRS Preparer Regulations at no extra cost – see item #6 for more information on this.

4. Career Stability

Ben Franklin said "... in this world nothing can be said to be certain, except death and taxes." Even when legislation is passed to simplify the tax code, tax law changes cause confusion among taxpayers and, invariably, new tax law changes are enacted to manipulate the economy or meet some social need. There will always be a need for tax professionals, especially to help individual and small business taxpayers who have more complex tax returns or who simply do not have the time, aptitude or interest in preparing their own returns; or who simply want peace-of-mind in knowing their tax professional stands behind their taxes and is available when needed to help them deal with the IRS.

5. Personal Satisfaction

Tax preparation may seem to an outsider to be a boring occupation. In reality, helping people deal with their taxes is very rewarding and gratifying. As a tax professional, you are a highly trusted confidante to your clients. They trust you with their most confidential financial and personal information. You are able to make the dreaded task of tax preparation a pleasant experience by educating them in the tax laws and simplifying the task. You ensure that your clients' tax liabilities are minimized and their tax refunds are maximized. You establish very personal relationships with your clients who look forward to seeing you each year.

6. High Demand for Tax Professionals

Effective January 1, 2012, the IRS implemented nationwide regulation of tax preparers, but the regulations were suspended due to a court order and IRS lost their appeal. However, the new IRS

Commissioner advocates the regulations to be reinstated on a voluntary basis. The regulations would enhance the image of the tax preparation industry. Those who voluntarily meet the requirements would have a competitive advantage over many unqualified tax preparers. The IRS credential would result in more tax preparation business for tax professionals who meet the standard. The Income Tax School [Comprehensive Income Tax Course](#) will prepare graduates to pass the IRS exam. In addition, many elderly preparers are retiring each year resulting in additional opportunities for new entrants.

7. Professional Status

After completing the [Comprehensive Income Tax Course](#), you will receive a certificate to frame and mount on the wall of your tax office. You may also consider enrolling in The Income Tax School Chartered Tax Professional certificate program to earn the professional CTP® designation. After earning the CTP® certification and gaining more tax experience, you should have the knowledge necessary to take an Enrolled Agent (EA) review course, sit for the EA exam and also become an EA. The IRS EA designation is the most significant professional credential in the tax preparation industry.

8. Flexibility

Tax preparers may enjoy flexible hours since most tax preparation offices are open evenings and weekends. These hours enable moonlighting professionals to earn extra income during tax season. Tax preparation is also ideal for stay-at-home parents with young children who need to be home during the summer when the kids are out of school. Early retirees also enjoy the flexibility of being able to travel and spend time with their grandchildren during the off-season. People who work in retail during the holiday season can then work during tax season after their retail job ends. Self-employed professionals such as real estate agents and financial planners can add tax preparation to their practices and also cross-market their services to clients.

9. Portability

There is a need for tax preparers wherever there are U.S. taxpayers. Military spouses can prepare taxes at military bases anywhere in the World. Clients will typically continue to ask their tax preparers to do their returns remotely if they or their tax preparer relocates. Remote tax preparation is very easy using phone and e-mail. Real-time interviews can also be conducted by web-cam, with which most computers are now equipped.

10. Stopgap for Unemployment

If you are unemployed, tax preparation can be an ideal stopgap to earn income while you are seeking new employment and, if desired, can be continued part-time even after landing a new full-time job. A tax preparer who is also employed full-time enjoys the peace-of-mind in knowing that tax preparation can become a full-time job to fall back on should he or she be laid off from a regular job.

11. Complementary to Other Professions

Income tax crosses many professions. Nearly every financial transaction has a tax consequence. Tax knowledge can be a valuable asset to real estate, banking, insurance and financial planning professionals, among others.

12. Recession Resistant

All taxpayers must file taxes every year regardless of current economic conditions. Most people who use tax preparers do so because they lack the ability to prepare their own returns. In a bad economy, minimizing one's tax liability is especially important.

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