

Contact Gigi Jones PR Director 916.296.6913 Cell gjones@ctec.org

## Three Tips to Know When Hiring a Tax Pro Last Minute

How to avoid fraud and mistakes in the last minute rush to file your tax return

**Sacramento, CA (April 1, 2015)**— Each year millions of taxpayers wait until the last minute to file their tax returns. Many will panic and scramble to hire a professional— the ideal situation for scammers who prey on the stressed out and distracted.

"The mad rush definitely makes people vulnerable to scams and mistakes," said Aaron Gray, board member for the <u>California Tax Education Council (CTEC)</u>, a state-mandated nonprofit organization that registers close to 40,000 unlicensed tax preparers.

So what is a procrastinator to do?

## Verify the Tax Preparer

In February, the <u>Internal Revenue Service</u> launched its <u>Directory of Federal Tax Return</u> <u>Preparers</u> to help taxpayers search for tax professionals; however, if your preferred person does not show up, do not be alarmed.

"It's a good starter tool, but it is limited to who it includes. I can tell you that not all legal tax preparers who are doing business in California are on that list," said Gray.

If your state licenses or registers tax preparers— that's <u>California</u>, <u>Oregon</u>, <u>New York</u> and <u>Maryland</u>— you should verify the tax preparer with state oversight offices. It is also a good idea to check with <u>Better Business Bureau</u> offices and ask for referrals.

## Face the Paperwork

Tax preparers rely on the details and information you give them. That said, some may refuse to sort through your shoebox full of receipts or charge hefty fees to do it.

Fortunately, if you need more time to organize your paperwork, you can file for an extension. The bad news? If you think you owe, you still need to pay by April 15th.

## Know the Rules

Legitimate tax preparers will never guarantee a refund before they look over your tax information. They will always sign your tax return and include their IRS <u>Preparer Tax</u> <u>Identification Number (PTIN)</u> because the law requires it. In fact, they are fixated on tax laws and will proudly explain why you owe or why you don't.

The fee should always be based on the complexity of your tax return, not the size of your refund. Anyone who does not follow these rules should be considered as a big red flag.

"If their focus is all about getting a piece of your refund, walk away," said Gray.

CTEC is a nonprofit organization that was established by the California State Legislature to help protect taxpayers against fraud. For more information, visit <u>www.ctec.org.</u>