

TAX SEASON SURVIVAL GUIDE

A guide to your most efficient
and profitable Tax Season yet



CONTENTS

Introduction	2
First Things First: Embrace Technology	4
3 Steps to a Successful Tax Season	6
Go Paperless	6
Get Connected	7
Shift to Year Round Service	8
The Case for Monthly Services	9
Set Your Firm Apart: Next Steps for Getting Started	12

INTRODUCTION

DO MORE WORK LESS

A guide to your most efficient and profitable Tax Season yet

Tax season is usually marked by long work weeks and unrelenting deadlines. But with a few changes you can make it more streamlined and profitable than ever, and we've developed this guide to show you how.

The stress that Tax Season brings - searching for documents, filling out forms, and last minute meetings with clients - is not a secret in the accounting industry. In fact it is the reality for many firms. According to Accounting Today, 47% of large firms will require staff to come in every Saturday during Tax Season.

But it doesn't have to be that way. It is possible to work less, achieve more, and not let the stress of the season get you down.

In this guide we'll explore how to transform Tax Season from stressful to successful, and it all starts with embracing technology. Then we will identify three steps for your firm to take in order to make tax season less of a time crunch and maximize return on the investment that you and your staff put in.

You'll walk away from this guide with the knowledge needed to:



Spread Tax Prep Workload Throughout The Year



Transform Client Relationships



Improve Your Bottom Line

Tax Season sneaks up quickly each year so there's no time like the present to get prepared and plan for transformation. Therefore, determine your challenges now, identify your desired outcomes now, and get to know your new technology solutions now.

Still unsure if this guide is for you? If these pain points look familiar to you, then keep reading.

PAIN POINT	SOLUTION
Chasing clients for receipts and invoices	Digital document capture
Too much time spent on manual data entry	Data extraction using OCR technology
Receiving documents from clients all at once	Real time item submission
Limited visibility into self-employed clients' financial health of their business	Access to expense reporting at anytime during the year
Not enough cash flow throughout the year	Shift to Monthly Recurring Revenue
Difficulty retaining clients	Offer year-round value-added services

FIRST THINGS FIRST

EMBRACE TECHNOLOGY

What does your busy season currently look like? It is time to consider introducing new technology and automated processes into your workflow if:

- Your days and weeks are long: you aren't alone if you are working 70+ hour weeks during busy season. But what if we told you there was a way to cut that time in half? Would you take on more clients or maybe even make Friday a half day?
- You are feeling the pressure of the revenue challenge: When a majority of your work is once-a-year obligatory tax prep, you could be booking over 65% of your revenue in the first four months of the year. This puts a strain on your cash flow during the other eight months of the year. What if you could spread out not just the workload, but also the revenue across the entire year?

We know change can be scary, but the right technology can be the positive change you've been looking for. However, it's important to implement any new technology now, in order for you and your team to be 100% comfortable in the height of your busiest season.

Receipt Bank's award-winning Self Employed client solution automates the collection of clients' documents and reads and enters all the data for you. Our smart system automatically categorizes against the Schedule C, providing a summary of the tax year for anytime review.

What does that mean for you? Our research indicates that Partners who use Receipt Bank Self Employed cut their tax prep time in half for each client. What would you do with that free time?



PARTNER SUCCESS STORY

Allison Hawkins is one of our Canadian partners who takes full advantage of the opportunities that technology creates. Implementing Receipt Bank prior to tax season meant working less and offering additional value in the form of peace of mind to her clients.

"Setting up a client on Receipt bank before tax season means that we don't accept paper during tax season and it builds better habits for our clients. Receipt Bank is an infinitely better solution to creating a clunky excel file just to do the personal tax return. The full .pdf archive gives the client comfort that they have the documentation they need if they ever get audited and they don't have to worry about the paper fading or getting lost."

Allison Hawkins, CPA

A transformed tax season looks different for everyone. Whether it is adding more clients, offering additional advisory services, or simply leaving the office at a reasonable hour each night, all of that is possible with the right technology in place.

Do it for your clients

Our research shows that firms which embrace technology and prioritize efficiency see increased client retention, revenue, and new business. That's because client relationships are constantly evolving and will be affected by any changes you make within your firm.

Your clients are at the heart of what you do, so before you can think about transforming your firm, there are a few questions you should ask yourself...

- Are your clients loyal? Will they be back next year?
- What additional services can you offer your clients to increase lifetime value?
- How often are you getting client referrals?

The answer to these questions will depend on the quality of the experience you offer your clients. For many firms, the most common interaction with their clients is chasing them for documents. This is not only time consuming, but can also put a strain on your relationships.

Changing the way you gather and process clients' financial information gives you back the time you can use to spend more time working on the data, instead of just sourcing it.

Now, you can spend more time with your best clients and help them understand what their numbers actually mean, instead of just typing in numbers and chasing paperwork.



PARTNER SUCCESS STORY

For one of our partners, Gina Scott - President of Gina Scott & Associates in North Carolina - a digital transformation means saving time wherever possible in order to do more of what she loves: provide business advisory services to clients.

"Because we market ourselves as a cloud accounting firm, digital document capture and automation are the key components. Without it, it makes our job much more challenging. As our client list has grown, we've made Receipt Bank a core component of our processes in order to allow our team to focus on actually advising clients on their business' financial health."

Gina Scott, CB

3 STEPS TO A SUCCESSFUL TAX SEASON

1 Digitize Your Documents

Tax season tends to be stressful for most everyone involved. There's too much to do and not enough time to do it. It's easy to blame your clients for bringing in their paperwork at the last minute, or losing key documents. Especially if you're spending hours chasing clients for receipts and manually entering data. But the real culprit could be something much more prosaic: **Paper**.

The single biggest change we recommend making is going paperless. Once you can capture and transfer documents digitally, technology can do more of the heavy lifting when it comes to recognizing key data. All you have to do is review and publish to your ledger.

The Paperless Solution: Receipt Bank Self Employed

One thing to keep in mind is that not all ways of going paperless are created equally.

For example, you could use a scanner to batch scan in receipts and invoices. This digitizes your documents, but you still have to manually enter in the data into the accounting software.

Receipt Bank's award-winning Self Employed client solution automates the collection and extraction of clients' expense data. It even categorizes it automatically, providing a Schedule C summary of the tax year for review any time.

Multiple Submission Methods

Scanning a receipt or invoice after the tax return, after the monthly write-up is not enough. In order to capture data on the front end, you want to make it as easy as possible for your clients to get their information to you.



The Power of Paperless

- No more missed deductions - multiple submission methods minimizes tax liability
- Instant data delivery - one central client dashboard where you can track their engagement with your firm and your systems
- Paperless storage - help your clients clean up their back office and protect them from audit and natural disaster

2 Get Connected

Having one connected system is critical to enjoying the benefits of cloud technology tools and will help you to optimize efficiency not just during Tax Season, but also year round.

Central Client Dashboard

View and manage all of your clients' data in one central dashboard that can be accessed from anywhere. This means your team can work on it at the same time as you, and you are no longer limited to only accepting clients within a close radius.

What's more, you won't be at risk for losing clients, or your staff if they move out of town.

Secure Storage

All of your clients' information is securely stored for seven years, protecting them from both audit and natural disaster. With everything at your fingertips, you can provide answers to an auditor, your client's bank, or your client whenever they ask for it.

Data in Receipt Bank is searchable, filterable, and downloadable which provides value beyond just risk protection. Not only are your clients protected from a tax audit but your florist client who needs to refer to last year's ordering quantities around Fall wedding season can see it all right in Receipt Bank.

Direct Data Sync

Not only is the data synced directly to tax return forms and the general ledger, but the image of the document is also attached. This eliminates the risk of human error, not to mention saves you very valuable time on your bookkeeping processes.

3 Shift to Year Round Service

Last but not least, the third step to tax season success is moving your clients from once-a-year engagements to year-round service. Making the shift to year-round service means you can talk to your clients frequently and monitor their accounting throughout the course of the year. You'll soon be able to identify additional ways in which you can help them with value-added services.

With added value, comes the opportunity for increased fees and in turn, Monthly Recurring Revenue (MRR). So, as a result, you'll still have a bump in revenue and workload during tax season. Yet, your overall revenue will increase and the workload is more evenly spread.

TRANSFORM YOUR REVENUE

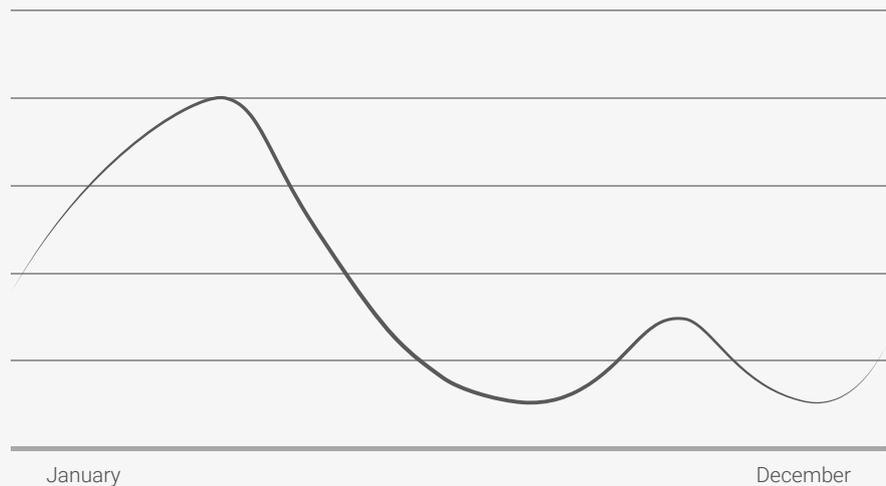
THE CASE FOR MONTHLY SERVICES

Not only does going paperless with Receipt Bank help save you time, but it helps to solve the other tax season challenge. What we know from working with thousands of accountants around the world is that there is a significant revenue imbalance when it comes to tax preparation for self-employed clients.

Here's why:

If you have a large number of tax prep clients, typically revenue, and your hours, peak during the first 5 months of the year and then you spend the rest of the year trying to keep your head above water.

Annual Revenue



By its very nature, compliance work is deadline driven. That's why traditionally, as much as 65% of revenue can be booked within the first four months of the year. That also means 65-70% of workload is within those first four to five months.

This puts an enormous strain on you and your team to get everything done accurately and on time, while keeping your sanity. As you can see from the graph above, it also has implications on your cash flow.

This means that for four months of the year, your team are working stressful, long hours, and for the rest, they are under-utilised and inefficient.

Transitioning your business from yearly engagements to Monthly Recurring Revenue (MRR) spreads your income throughout the entire year, not just those first four months.



PARTNER SUCCESS STORY

Mary Hollister, a CPA based in New York, began using Receipt Bank as part of her tax process and immediately realized the time saving benefits.

“Before I embraced technology and started using Receipt Bank, I worked way too many hours and didn’t have the work-life balance that I was seeking.” In years past, Mary worked nearly 100 hours per week, with no days off, during tax season. This past tax season however, Mary worked an average of 48 hours per week, while serving 20% more clients than previous years.

After first implementing Receipt Bank, Mary was presented with a challenge. As she became more efficient and saved more time, her revenue dropped 50% under her time-based billing system. So, with those hours saved, she decided to do more of what she enjoyed by offering new value-added services and taking on new clients, all resulting in a 130% increase in year-over-year revenue.

Today, Mary and her associate look after 200 individuals and 75 business clients and still manage to work fewer hours than before she committed to allowing technology to work for her.

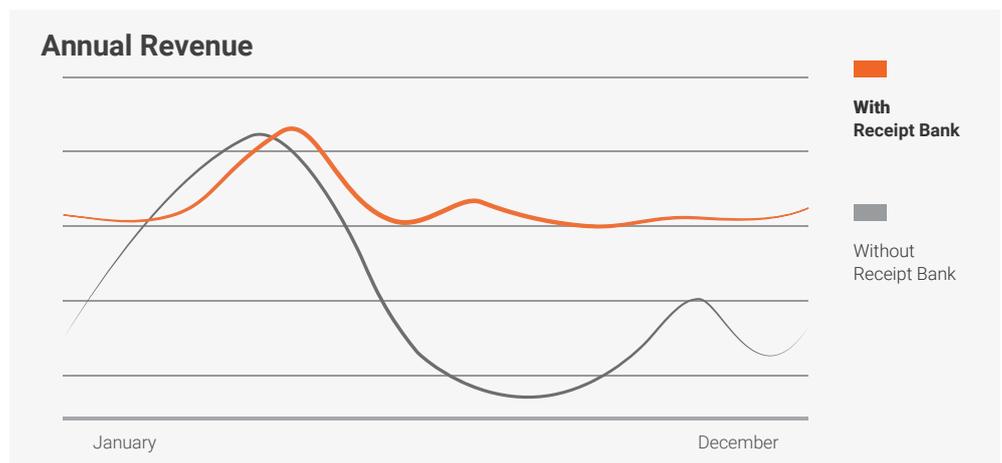
Mary Hollister, CPA

Less Stress, More Money

Forget the late nights fuelled by coffee and sleeping on the office sofa. You have the power to transform your practice, to avoid the massive busy-season time crunch, and reduce the cash-flow risks associated with a tax season heavy business.

Making the shift to year-round engagements means you can talk to your clients frequently and monitor their accounting throughout the course of the year. You’ll soon be able to identify additional ways in which you can help them with value-added services.

With added value, comes the opportunity for increased fees and in turn, MRR. So, as a result, you’ll still have a bump in revenue and workload during tax season. Yet, your overall revenue will increase and the workload is more evenly spread. Now, your revenue takes on a whole new look.



How to Make the Move to MRR

To better understand how you can move from project based billing, such as once a year tax prep, to MRR, it is important to first understand where this opportunity comes from.

You need more time on your hands. Receipt Bank’s technology automates the collection and management of client data and cuts the time spent on tax prep for your self-employed clients in half. Our award-winning Self-Employed client solution saves you time on those mundane tasks and categorizes the data automatically so that you can access a Schedule C summary anytime throughout the year.

What this all means is that with more time freed up, you can focus on providing value-added services to your self-employed clients throughout the year. The best part is, other than adding Receipt Bank’s technology as part of your tax preparation processes, you don’t actually have to do anything differently in order to see the time saving benefits.

Here is an example of how you can shift your pricing from project-based billing to MRR in order to increase revenue.

Service	Early Fee		Service	Monthly Fee
Individual Tax Return	\$700	➔	Individual Tax Return	\$99
			Receipt Bank Self-Employed	
		Audit/Disaster Protection Plan		
		Year-end Tax Planning Meeting		
Total Annual Fees	\$700		Total Annual Fees	\$1,188

+70%

If you are charging clients a one-time fee for their tax preparation needs, then your revenue per client likely looks like the example on the left: derived from a once-a-year engagement without any value added services.

However, thanks to Receipt Bank’s technology, you can instantly take advantage of those opportunities to offer value-added service, shift to MRR and in turn, increase revenue by 70%.

- **Audit-ready Archive:** All of your client’s items submitted through Receipt Bank will be stored in their own personal archive on the cloud. This means their expenses are categorized, tagged, coded, searchable, downloadable and that you can deliver anything an auditor requests.
- **Disaster Protection:** Your clients can sleep soundly knowing that in the event of disaster, they don’t need to worry about saving financial records because everything is secure in a central cloud location.
- **Year-end Tax Planning:** Minimize your client’s tax liability and meet face-to-face with them to identify where else you might be able to help them.

SET YOUR FIRM APART

NEXT STEPS TO GET STARTED

Changing the way your firm sources, processes and manages data has wide ranging effects. If you use the right tools, you have the chance to not only improve your client retention rates, but increase your overall revenue and capacity.

Key to this is changing your client interaction from a once-a-year transaction to an ongoing relationship. With client information flowing in throughout the year, you can review it at anytime. Now, you're much better positioned to identify other ways your services and expertise can help them, and boost your firm's revenue with those value-added services.

Providing value-added services means that your clients will see you as more than just an obligatory tax engagement. By establishing yourself as a trusted business advisor, your clients will keep coming back to you because they realize the true value behind your services. Even more so, once your clients recognize the value you provide to them, the more likely they are to refer you to someone else.

Ready to transform your Tax Season? You could be well on your way in the next few days if you make the commitment to yourself, your team, and your clients now. Here's how to do it:

1 Put Down This eBook And Give Us a Call

The success of your Tax Season is in your hands. Chat with an efficiency expert to see Receipt Bank in action and discuss how you can best take advantage of the time saving benefits ahead of Tax Season.

2 Join the Partner Program and Complete Onboarding

Once you join Receipt Bank's Partner Program you will receive online training materials for you and your team as well as materials needed to successfully get your clients onboard. Your dedicated Partner Success Consultant can help you work through any obstacles you are facing along the way.

3 Get Your Clients on Board

All they have to do is download the Receipt Bank app and start taking photos of their documents. The mobile app is free for your clients, and gives them an easy way to record expenses on the go, at any time of the year. Plus, it provides you with documents in real-time.

4 Spend Less Time on Data Entry

With Receipt Bank for both your business and self-employed clients, key data is automatically recognized and categorized. All you have to do is review and publish to your client's accounting software in one click.

5 Give Your Clients a Superior Experience

Now that you aren't wasting time on data entry, you can add value to your client experience in many ways, one of which requires zero extra work from you. Using Receipt Bank means client documents are stored on the cloud. You can now provide protection from fraud or natural disaster and ensure that they are audit-proof. Plus, clients can rest easy knowing you have visibility into their business's financial health.

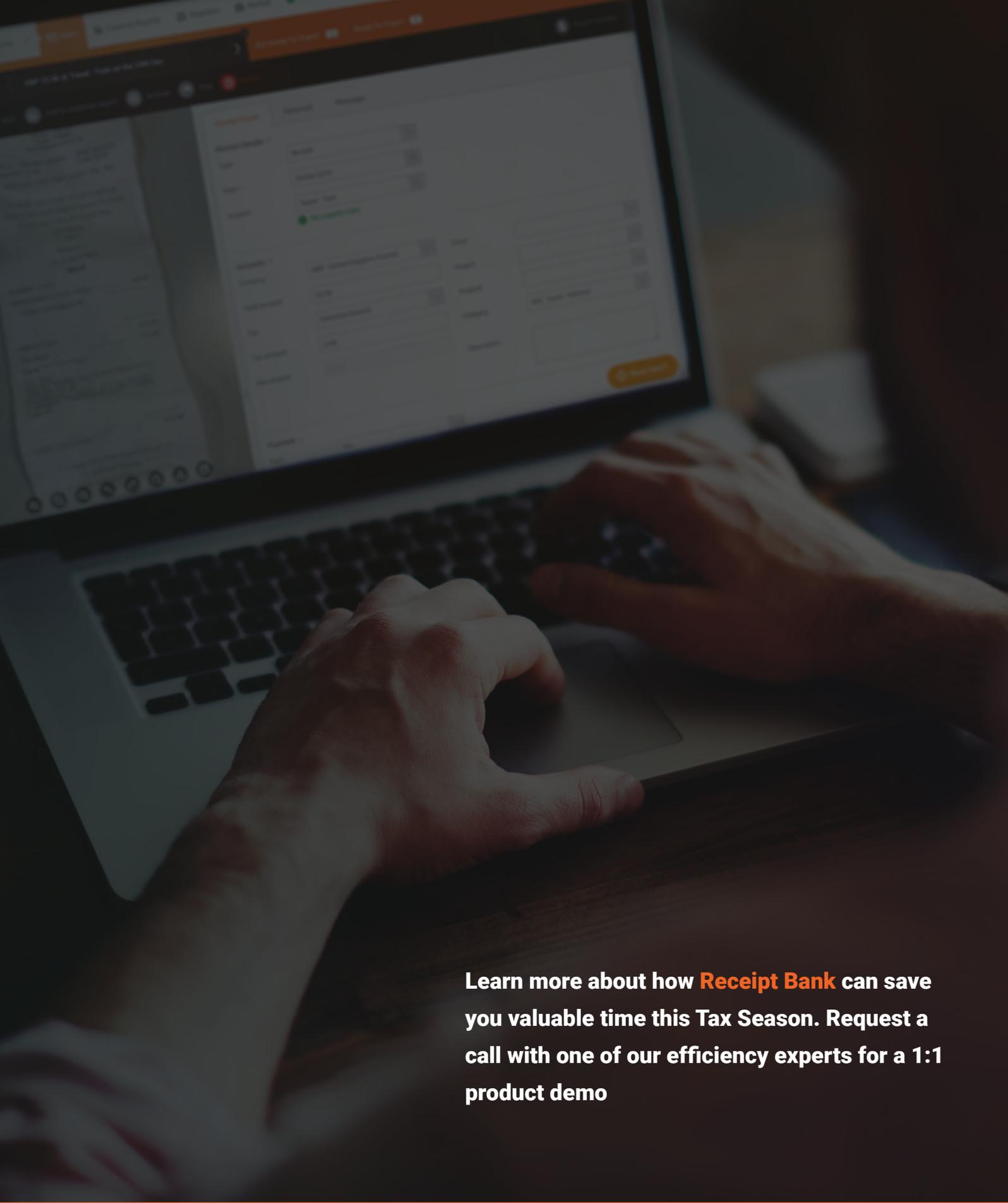
6 Take it All In

Breathe, relax, and enjoy the professional transformation that you and your firm are about to undergo!

All of a sudden, tax season doesn't look quite so bad.

This is why the smartest firms are implementing technology now, to ensure processes are running smoothly come tax season. It won't happen overnight. But by introducing new tools and automated processes into your workflow, you'll have the power to define what a successful tax season looks like for your firm.

Commit to the cloud today so that you can start feeling the true benefits of a successfully transformed tax season tomorrow.



Learn more about how **Receipt Bank** can save you valuable time this Tax Season. Request a call with one of our efficiency experts for a 1:1 product demo



Unlock your practice potential

No more paper. No more chasing. No more data entry.

Learn more at ReceiptBank.com

REQUEST A CALL