

## GUIDE TO SELECTING AN ACCOUNTING OR TAX PROFESSIONAL

This guide, created by the Georgia Association of Accountants and Tax Professionals (GAATP), is intended to help you sort through the complexities and confusion of finding an accounting or tax professional that is right for your particular lifestyle and financial situation.

### Why do you need an accounting and/or tax professional?

Let's first look at your requirements. How complex is your financial situation? Are you looking for a service that just prepares your tax return? Do you want to save time? Save money? Do you need someone to assist you as an advisor throughout the year? Is it important to have the same individual or firm prepare your tax returns from year to year, someone with whom you can build a long-term relationship?



*Trying to decide which is the best professional to meet your new business needs?? This guide should help!!*

**Confused? Don't be. This guide will help you determine the kind of professional you need.**

**Here's where GAATP can help you with your decision.**

Tax laws and accounting practices are constantly changing. It is imperative that practitioners continuously upgrade their skills and abilities. GAATP, an affiliated state organi-

zation of the National Society of Accountants, has provided support and continuing education for both licensed and unlicensed accountants for more than 50 years.

GAATP provides a network of accountants across the state, and through the National Society of Accountants, across the nation, with the

latest developments in both accounting and taxation. It requires 90 hours of continuing professional education in accounting and taxation every three years, plus enforces its Code of Ethics and Rules of Professional Conduct by investigating complaints and conducting disciplinary proceedings.

Below are accreditations bestowed on accountants through examination and life experience by the Accreditation Council

This guide will help you to understand the different credentials and title the professional you choose holds, in order for you to make an informed decision on who best meets your personal needs.

for Accountancy and Taxation (ACAT), the credentialing arm of the National Society of Accountants.

**ACCREDITED  
BUSINESS  
ACCOUNTANT®  
(ABA)**

ABAs are professionals who specialize in accounting services for **individuals and small to medium sized businesses**. They can provide personalized financial reports and interpret those reports for you. These individuals have passed a full day exam testing their technical proficiency in financial accounting, reporting, statement preparation, taxation, business law, consulting services and ethics. Many CPAs and Enrolled Agents are also Accredited Business Accountants.

In states where use of the term “Accredited Business Accountant” is prohibited by state law, individuals are referred to as “Accredited Business Advisors.”

**ACCREDITED TAX  
PREPARER <sup>SM</sup>  
(ATP)**

Individuals who hold the ATP<sup>SM</sup> credential have a thorough knowledge of the concepts behind the existing tax code and the preparation of individual, corporate, and partnership tax returns.

**ACCREDITED TAX  
ADVISOR <sup>SM</sup> (ATA)**

Individuals holding the ATA<sup>SM</sup> credential have demonstrated the ability to handle complex tax planning issues, including planning for owners of closely held businesses, planning for the highly compensated, choosing qualified retirement plans and performing estate planning.

Individuals accredited by ACAT must adhere to one of the highest standards of professional conduct. The ACAT Code of Ethics dictates the following:

- The first responsibility is to the client. Accredited individuals should make every effort to protect client in-

terests and advise clients of the appropriate course of conduct. The client must be fully aware that he or she is responsible for any decision made during the preparation of the financial documents and that when the client signs such documentation, it is the legal equivalent of an affidavit. Client confidentiality should never be violated. Accredited individuals are under duty to comply with all rules and regulations of the Treasury Department governing practice before the Internal Revenue Service.

- The second responsibility is that of accredited individuals to themselves. They should not jeopardize their professional reputation or lose self-respect.
- The third responsibility is to the government. In this respect, accredited individuals should always bear in mind that they are



governed by the laws, regulations, and decisions that make up the practices of accounting and taxation.

In addition to the ACAT designations, you should also understand the following.

### **FRANCHISES**

These national tax services have offices throughout the country. They usually have extended hours during tax season and serve customers on a first-come, first-serve basis. Cost is based on a set fee schedule depending on how many forms are used.

### **ENROLLED AGENTS**

EAs must either pass a two-day exam and background check, or have been employed by the IRS in a job where they applied and interpreted the IRS code and regulations for a minimum of five years. EAs receive their right to practice from the US Treasury. Many EAs also hold the Accredited Tax Advisor (ATA) and Accredited

Tax Preparer (ATP) credentials.

### **CERTIFIED PUBLIC ACCOUNTANTS**

CPAs must pass state qualifying exams to be certified and hold a college degree, and in most states are required to provide work experience. CPAs are licensed to do accounting work up to and including audits and may or may not specialize in tax matters. Some CPAs also hold the ATA and ABA credentials.

### **LICENSED PUBLIC ACCOUNTANTS**

In many states, public accountants may be licensed (or registered) by the state board of accountancy. These states recognize that licensed public accountants are fully capable, by law and experience, to prepare financial statements on the same basis as certified public accountants.

### **TAX ATTORNEYS**

Many tax attorneys are qualified to provide advice on tax matters dealing with anything from investments to estate and financial planning. Some tax attorneys also

hold the ATA credential.

Now that you know about the different kinds of accountants and tax professionals, it's time to start the selection process. Choosing someone to handle your financial needs is no less important than selecting any other service provider such as your doctor. Some simple tips to keep in mind when making a selection are:

- Talk to friends and those with whom you work about their experiences. Ask them for referrals. You can also contact national or state organizations for names of their members in your area. Chamber of Commerce activities and service club luncheons are often a good place to talk to others about who they use for their financial services.
- A directory of professionals is available from GAATP to help you locate the right person in your area. You may search by



name, city or zip-code. The directory can be accessed at [www.gaatp.org](http://www.gaatp.org), or you may call GAATP at (770) 439-2000.

Select two or three individuals you believe are best for your situation. Then interview each professional. Make sure you have a good rapport with each other. Here are some questions you might ask, depending on your situation:



***We hope this helped you find your way!***

- How many tax returns do you prepare each year? What part is business? Individual? Corporate?
- What is your specialty?
- Do you offer estate and trust planning?
- Do you do partnership or corporation returns?
- Do you offer tax planning for owners of closely held businesses?
- What professional organizations do you belong to?
- What credentials do you have that demonstrate your proficiency in serving my needs?
- Do your professional organizations have a Code of Ethics and required standards?
- Where did you get your training?
- How do you keep up-to-date on law changes?
- How long have you been in practice?
- Are you the person who will do my return?
- Have you dealt with tax situations like mine?
- How do you double-check for accuracy? What is the turnaround time for a tax return like mine?
- How do you determine your fees?
- Can you be reached during the year? Do you provide year-round tax advisory service?

You should now have the information you need to make an educated selection.

Choose the one you think will do the best job for you. Hopefully, it will result in a long-term business relationship.

***Mission Statement:***

The mission of GAATP is to protect the rights of its membership to provide professional accounting, tax and financial services to the public. The Association will require, consistent to the By-Laws, it's members to increase their level of professionalism through continuing education, professional qualification of its members and increase the public's awareness of the association.

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**GAATP is the State Affiliated Organization of the National Society of Accountants headquartered in Alexandria, Virginia**