

Marketing 101: Tax Preparation Internships

Once tax season is over, tax and accounting firms turn their attention to the future and the steps needed to ensure a successful season in the year ahead. This process requires assessment of last year, planning for this year, and personnel changes needed within the firm.

Some seasonal workers will not be asked to return, and others will leave for their own reasons (such as retirement, health, or change in marital status). But regardless of the reason why some will not return, there will be a need to hire new seasonal workers for the tax season ahead.

One effective strategy for hiring new employees is to recruit interns. Not just any interns, of course, but interns from local high schools, business schools, colleges, and universities who are already interested in careers in tax and accounting. For lower-level administrative positions (such as scanning documents or reception), most high schools offer their best students a work-study program in their junior and senior years that places them in local businesses to gain experience. The cost to the firm varies from one school to another, but these are motivated young people anxious for real business experience, so costs tend to be minimal.

Business schools that train students in tax preparation look for internships that will give the students experience, and for students at the college and university level, experience in tax preparation can be a gateway to careers in business administration, accounting, and tax planning.

For employers, an internship is an opportunity to add a low-cost seasonal worker or assess a potential full-time employee in a real work environment with no firm expectation of a job offer at the end. And the employees tend to be above-average: motivated high school and college students who have already demonstrated academic excellence.

Requirements for the Intern

For tax preparation, the Internal Revenue Service has basic requirements for eligibility that both interns and professionals must meet. The preparer must not:

- Have ever been convicted of a felony
- Be currently delinquent in filing income tax returns with the IRS or in paying taxes to the IRS
- Have appeared before or been sanctioned by a professional body, federal, or state agency for alleged misconduct
- Have had any application filed with a court, government department, commission, or agency for admission to practice denied or rejected
- Have ever had any IRS office hold the practitioner ineligible for limited practice without accreditation

In addition, interns who will prepare taxes in Oregon and California must meet the requirements of those states for professional licenses.



For high school work-study interns, suitable tasks include scanning-in tax documents for the client, answering phones, and greeting clients at reception. College students with some coursework in business, tax, or accounting already under their belt can be trained for more complicated tasks that include:

- Managing the taxpayer's information
- Entering data
- Proofreading completed tax returns
- Preparing tax returns for review by a professional
- Participating in meetings with clients
- Conducting tax research to resolve client questions or problems

Procedures for Hiring Interns

Nearly all schools have established programs for internships or work-study programs and can assist the firm in setting up one or more internships. The firm should prepare an internship job description similar to the following:

Paid Internship Opportunity for Tax Preparation

[January 3 through April 15]

Job description: tax preparer

Conducts in-depth interviews with clients and obtains all information and material required for tax preparation. Fully communicates to clients the procedures, paperwork, and timeframes applicable to the service being provided. Prepares all paperwork and completes all required data entry according to office policy and procedure.

We will have three offices this year, all convenient to campus. We offer flexible hours and understand the demands on college students.

Salary: \$7.50 per hour with payment of any transportation expenses.

Qualifications:

- Junior or senior standing
- Must complete "Tax Preparation and Certification" class (training expenses paid)
- Flexible hours
- Must have basic PC skills

Responsibilities include:

- Client interviews
- Client tax preparation
- Sunday accounting/bookkeeping duties as assigned
- Making and answering follow-up phone calls with customers as needed
- Administrative duties as needed

Company Description:

_____ Tax Service is a rapidly growing firm with management and professional opportunities. The company specializes in computerized tax preparation, electronic filing, and related tax services.

To apply, visit _____ and apply for Tax Preparation Internship Positions.

Interns, even those in majors leading to accounting, pre-law, or business degrees, will require training. It is therefore important to begin the process of attracting interns in the fall of the year. The goal is to identify (with help from the educational institution) the best candidates, interview them, hire them, and begin training so that they can begin a formal internship in January of the following year.

It is not required or expected that the internship lead to full-time employment. In fact, many of the interns will have other career plans and will simply ask for a season of employment that covers the costs of work, provides a little additional revenue, and provides the intern with a letter of recommendation for his or her portfolio.

Nor is there an expectation that an intern will require a full salary or benefits; the payoff for the intern is experience and a reference. On the other hand, if the firm cannot cover the cost of the internship for direct expenses and transportation (and even a modest stipend), it will be hard to attract the best and brightest candidates.

A final note with respect to interns: these are not adults, nor are they necessarily experienced in work environments. Interns will require some latitude with respect to work hours and interactions with both clients and other staff. They may exhibit higher levels of personal drama than the firm is accustomed to and may require a greater than usual level of training and management.

Marketing 101 is a series of monographs by business consultant Dave McClure offered as white papers to tax preparation and accounting firms. They address basic marketing issues for small to medium-sized firms.

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