



We take your taxes personally!

# Ten Ways to Assess a Tax Consultant's Fees

By Neel E. Roberts



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# Ten Ways to Assess a Tax Consultant's Fees

**H**ave you wondered what tax consultation services should cost? Do you feel you have overpaid? Did you get the service you expected? Many taxpayers ask these questions, because there are no standards or guidelines as there are for some other professions. Even those who belong to professional associations have the freedom to set fees as they choose, and these can vary widely. With such variation, how does the average taxpayer know where to start? While this handout is in no way an official guide to this rarely discussed subject, it is unique and will help you find value for your hard-earned money!

## 1. Determine your needs.

This is the place to start. Do you need a simple T4 return filed annually without hassle? Or is CRA insisting you file several years of complicated overdue returns immediately? There is a dramatic difference between these two situations. Also, do you want to become more strategic in your tax planning, or do you just want to spend a few minutes a year and get it over with? The answers to these questions, coupled with your level of knowledge of the tax system, will determine the type of professional you want to deal with. This is a vast topic, and I suggest you start with PTC Canada's *Tax Summary Worksheet*, available on our website at [www.ptccanada.com/](http://www.ptccanada.com/). Generally, the more complicated your situation looks to you, the more high-end you will need to go. The next section will help you select the right pro.

## 2. Determine the professional's specialty.

The Canadian tax system is huge for a country so small. With the average Canadian paying 50% in taxes and everyone looking for a break, it's no wonder there is an encyclopedia of rules between you and savings. Thousands of CRA employees administer the system, and tens of thousands of people work in the consulting industry, so it helps to have an idea how to start looking for the right person or firm. PTC Canada's *Canadian Tax Secrets Guide* has an entire chapter on choosing the right tax professional (chapter 10, [www.ptccanada.com/](http://www.ptccanada.com/)). Once you have determined your needs, find out what the professional specializes in. Most pros will tell you, but you can also look at their advertising. If their ads or mission are unclear, or they appear to be trying to do everything in the book, keep shopping around. There are lots out there. Even if you have to go outside your immediate area, you should be able

to find one that matches your needs. The bottom line here is whether the person or firm is the most qualified for you. While credentials like accounting designations are helpful, they don't tell the whole story. The internet offers new ways of meeting your needs without leaving your home. PTC Canada's Zero Stop Taxes offers this convenience, and over 50% of our clients do business this way. A professional who respects your time by making it easy can only have your interests at heart!

### 3. Get as much free stuff as possible.

A well-seasoned and organized tax pro should be able to offer free publications beyond CRA's materials. Check out their brochures, booklets, and handouts. Chances are, if you find these helpful before you do business, you will feel the same way about the pro after the job is complete. The free stuff is there to help you make an informed decision without wasting your time or money. Some pros may even give you a free consultation, which is wonderful. PTC Canada's free materials are posted on our website at [www.ptccanada.com](http://www.ptccanada.com), and we try to assist the taxpayer with a free consultation whenever possible. Sometimes the best things in life really are free!



### 4. Get a quote.

This is easy if the return is simple, with few complications. Most firms and individuals are qualified to offer standard service, and you can shop around. I have seen prices as cheap as \$9.99, but I would be concerned about quality at that rate. Tax companies like H & R Block start at between \$50 and \$100, and they are well suited to deliver good service for this price. Other companies, like PTC Canada, accounting firms, and tax specialists, start around \$100 to \$200, for a few reasons. First, their direct costs per client are higher due to their lower volume. Second, they tend to focus on more in-depth returns to remain profitable.

Many tax companies other than the giants like H & R Block do other kinds of work outside the regular tax season. One of PTC Canada's main markets is late filers, in addition to our other tax services. There are three ways to determine price: first, by the time involved; second, by the amount of paperwork to be drawn up; and third, by the whole job, regardless of time or paperwork. PTC Canada prefers the third method, as we believe it is in the

best interests of the client. While we try to stand by our quotes, we sometimes have to make adjustments, especially on the intricate jobs, which amount to less than 10% of our work. Depending on your situation, a professional should be able to quote you upfront if they have enough information. A firm quote in writing is almost as good as a binding contract, if you should ever need to enforce it.

#### **5. Consider a consultation instead of full services.**

If you have a lot of tax work to be done, or you need assistance completing your taxes, consider the less expensive route of a consultation. Even after using PTC Canada's free resources and everything else out there, you may feel you need more guidance. Instead of handing the work to a pro, you could have him draft an action plan so that you can finish it off yourself. This is cheaper and assures you that your strategy is on track. It's almost like hiring a lawyer to show you how to present your case, rather than having him go to court for you.

#### **6. See if you or someone else can do some of the work.**

Sometimes, it's just better to let the pro handle the case. Some consultants will let you do the more repetitive work to save money. PTC Canada always encourages clients to do their own bookwork, as it can save them thousands of dollars. We also allow clients to handle matters that are outside of taxes, though related to them, such as banks, CRA, maintenance enforcement, etc. Check with the tax pro to see if they can accommodate you in this way. Make sure you can do the work accurately so that the pro can use it. Otherwise, it may have to be redone at your expense!

#### **7. Be careful about overpaying.**

This becomes a problem when a taxpayer goes to a large accounting firm for a simple return. When the bill comes for \$500 for something that could have cost \$50, the client wonders why. The problem is not with the firm, as the return will be well done, but with the client who did not shop around. To a large firm, a basic return means pennies, and the folks there don't have time to rationalize their fee to the client. They're too busy serving clients who pay tens of thousands of dollars to solve million-dollar problems. If you don't ask for a quote or do your due diligence, you may be hit with what looks like an excessive bill. If you hire a limo to drive you to the store when the bus costs a tenth of the price, is it the limo company's fault? Of course not! They'll be happy to drive you. The message here is, do your homework!

## 8. Get a qualified person for the job.

PTC Canada's *Canadian Tax Secrets Guide* shows you how to shop for a tax pro (chapter 10). Above, we talked about what can happen when you retain someone overqualified, but what about when it's the other way around? It would be unwise to present a stack of boxes with ten years of back taxes, seizure letters from CRA, and an assortment of complications to someone advertising \$9.99 returns. This is asking for trouble, and if you tried to hold that person accountable in court, they would likely fold their tent and start somewhere else under another name.

As I've said, it is important to find someone experienced in your tax area who has been around for a while and will continue to be. I suggest a minimum of five years in business, unless they are training under a reputable professional. Check their accreditation and certificates. They don't have to be a high-ranking member of some accountants' society, but they should be able to substantiate what they do. PTC Canada is certified yearly by CRA to offer E-filing, is a member of the [E-File Association of Canada](#), and is trained by [ProFile](#), Canada's leading tax software manufacture. Taxpayers who nickel and dime a complex job have the wrong perspective, because they don't know what is involved. By way of comparison, you might go to Wal-Mart for a pair of jeans, but would you go there for a custom-made tuxedo? The only way to get a realistic view of what's going on is to get the right perspective!

## 9. Consult referral services and/or centres.

Many people find tax professionals through the phone book, referrals from friends, the newspaper, and other advertising. Another way to find reputable pros is through referral services, such as the [Better Business Bureau](#), [E-File Association of Canada](#), [Intuit Greenpoint](#), and the accounting associations listed in the phone book. These give you access to a large number of listings and may even recommend names. But the same rule applies: check them out! Just because someone gives you a name doesn't mean the pro is the one you want or need. Financially successful people in Canada have the right tax consultants working for them. Due diligence is a must to save you money and get good service!

## 10. Always consider the consultant's people skills.

Good service is as important as expertise, and it has become the currency of business in the 21st century. Never overlook this, as it may make or break your case. CRA is quick to judge a professional who lacks basic manners, and this will not serve you well. When you check out a prospective tax pro about his experience and whether he can handle your case, see how confidently he answers your questions. Does he give you straight answers, or is he wishy-washy? How honest is he? Does he admit he doesn't know everything or may have got something wrong? Do not deal with anyone who is less than painstakingly honest in everything he does. I have seen less skilled professionals shine because people respected their integrity, which allowed them to become stars in the business. Evelyn Jacks of the [Knowledge Bureau](#), quite possibly the leading authority on Canadian taxes, is successful and respected in the business not only because of her expertise, but also because of her natural ability to build rapport with almost anyone. It's no surprise that her business endeavours are a hit and she is a sought-after speaker. Top guns in the world master their people skills first, then their business!

This was a tricky handout to put together, but because I hadn't seen anything like it before, I felt it was necessary. CRA and other organizations do not have any real say when it comes to setting prices. The market drives prices, and one must understand how the market works. I hope this handout and other PTC Canada material has helped you understand this business. You are now better equipped to find the right person and pay them a fair price for a good job. Never compromise on quality, even if you pay too much. Redoing things is never worth the hassle! Few people remember overpaying, but everyone remembers a poor job. I invite you again to join our free mailing list today to receive updates on tax events and unique products and services to ease your tax burden. On the following pages, you will find a list of free resources and services. Then you can find out for yourself why PTC (Personal Tax Consultants) Canada *takes your taxes personally!*

Sincerely,  
*Neel*

Neel Roberts  
President & Founder

P.S. Tell us your success story. It means a lot to me and my clients!

*Since 1998, PTC Canada has helped thousands of Canadian taxpayers and clients around the world achieve optimal results with innovative tax preparation, planning, and consulting.*

## Free Tax Booklets

We offer other tax booklets, worksheets, and information that may be helpful to you. These include booklets for:

1. [Canadian Tax Secrets Guide](#)
2. [Employment and Commission Expense Tax Booklet](#)
3. [Investment Tax Booklet](#)
4. [Rental Property Tax Booklet](#)
5. [Small Unincorporated Business Tax Booklet](#)
6. [Farming Income](#)
7. [Personal Tax Organization Checklist](#) (Everyone can use this.)

You can download these and much more from our website ([www.ptccanada.com](http://www.ptccanada.com) under Resources) or we can arrange to have them sent to you.

## Our Free Services

1. Tax booklets, guides, worksheets, and preparation assistance
2. Seminars and information meetings
3. Investment opportunities
4. Mail and e-mail updates
5. 24/7 support via phone, fax, e-mail, courier, and mail
6. Internet filing and interactive website
7. Mobile tax services in certain areas
8. First consultation and personal assessment



**Tip:** If you are not a client but want regular updates, you can join our complimentary update service. Contact us and we'll start you today. There is no cost or obligation, and we love giving away free stuff!

## Other Services by PTC Canada

At PTC Canada, we are a network of Canadian tax and financial professionals who are specialists in our fields. We are committed to providing you with tax and financial expertise and assistance if you are affected by CRA (formerly Revenue Canada). Our goal is to provide insight and help to the taxpayer so that our clients can make informed decisions. Our philosophy is commitment to integrity and win/win solutions. Our services now consist of:

1. All types of tax preparation, planning, and consulting
2. Corporate tax returns
3. General accounting
4. Book and record keeping
5. Financial planning and investment services
6. U.S. and Quebec tax returns
7. Bankruptcy and debt consultation
8. Legal tax matters
9. Client representation to CRA
10. Overseas taxes and relocation assistance
11. Later-filer preparation
12. Previous years' corrections and adjustments up to 15 years

## Reference Books and Guides

I always recommend getting free stuff first and hope this booklet and other PTC Canada publications have been helpful. CRA also publishes a variety of [Tax Guides and Pamphlets](#) every year, which you can get by mail by calling the Forms Centre at 1-800-959-2221. You can also access their list of [forms and publications](#).

Here are a few more things worth looking into:

1. PTC Canada has a free *Canadian Tax Secrets Guide* that you can download from our website at [www.ptccanada.com](http://www.ptccanada.com), or contact us and we will send it to you.
2. I also recommend Tim Cestnick's *Winning the Tax Game 20\_\_* (for whatever year you are doing), available at your local bookstore or [www.chapters.ca](http://www.chapters.ca) for about \$25. The cost is deductible, and I believe you will find more than enough information to recover your investment of time and money. Go to [Tim's website](#), or contact Tim at [tim@timcestnick.com](mailto:tim@timcestnick.com) if you wish to discuss his work or other strategies.
3. Another book for about the same price is *The 30-Minute Tax Solution* by tax expert Evelyn Jacks of the [Knowledge Bureau](#). You can get it at your local bookstore or by calling Evelyn at 1-866-953-4769.

## Contact Information

In this booklet, I have given you some contact information that may interest you. Below is my contact information, as well as CRA's. If you are looking for something else, please contact me.

### **My contact information:**

Neel Roberts, President and Founder  
PTC Canada  
Box 1347  
Vulcan, Alberta, Canada  
T0L 2B0  
Tel: 866-485-2683  
Fax: 866-485-2761  
E-mail: [Neel\\_Roberts@ptccanada.com](mailto:Neel_Roberts@ptccanada.com)  
Website: [www.ptccanada.com](http://www.ptccanada.com)



## CRA Contacts

Service	Toll Free Number
General Services	1-800-959-8281
Refund Enquiries	1-800-959-1956
Business Number Enquiries	1-800-959-5525
Child Tax Benefits	1-800-387-1193
GST Credit-Personal	1-800-959-1953
Forms	1-800-959-2221
Collections	1-800-332-1312
All other Government of Canada Services	1-800-622-6232
Alberta Family Employment Tax Credit	1-800-959-2809
Fax Number-Depending on your location	Call General Services
Web Site	<a href="http://www.cra-arc.gc.ca">www.cra-arc.gc.ca</a>
Overseas Tax Services-Ottawa	1-800-267-5177
Overseas Tax Services-Outside Canada	Collect 613-952-3741
Local Tax Center	Call General Services

✓ **Note: Toll free numbers work across Canada.**