

How to Start a Professional Tax Practice



There's a lot to think about as you take the steps to become a professional tax preparer. Use this checklist to ensure you aren't skipping any necessary steps.

- Step 1: Register your business**

Choose your type of entity, and register your business with your state, and if necessary, your city. Be sure to apply for an Employee Identification Number if required.
- Step 2: Obtain an electronic filing identification number (EFIN)**

Register your firm for an IRS e-services account, submit an application to become an Authorized e-File Provider and send a fingerprint to the IRS to receive your EFIN electronically.
- Step 3: Obtain a Preparer Tax Identification Number (PTIN)**

Obtain a PTIN for yourself and every paid preparer in your firm by registering on the IRS website.
- Step 4: Determine your tax business model**

Determine how your business will bring in revenue: Will you operate year-around, or seasonally? Which tax clients will you target?
- Step 5: Understand your certification options**

Learn about the IRS Annual Filing Season Program, The Income Tax School certification programs, how to become a tax attorney, as well as Enrolled Agent and CPA certifications.
- Step 6: Get your professional tax tools**

Research professional tax software, including Intuit® ProConnect™ Tax Online, Lacerte® and ProSeries®, to find the best fit for your practice. Use Intuit's training resources to stay up to date.
- Step 7: Grow your business**

Market to potential customers, and learn about the QuickBooks® ProAdvisor program.