2020-2021
Income and Fees of Accountants and Tax Preparers in Public Practice
Survey Report
National Averages
The typical tax and accounting respondent:

- is a male (57%)
- is a sole proprietor (32%)
- has been in practice for 29 years
- is an Enrolled Agent (45%)
- practices in a moderate city/suburb (39%)
- practices mostly in the South Atlantic region (22%)
- has clients with a median household income of $50,000–$99,000 (47%)
### Years in Public Practice (Average) by Gross Income (2019)

- **Under $50,000**: 27.5 years
- **$50,000-99,999**: 28.5 years
- **$100,000-199,999**: 30.9 years
- **$200,000-399,999**: 30.7 years
- **$400,000 & over**: 29.5 years
- **All Respondents**: 28.9 years

### Size of Community

- **Large**: 28.8% (city/suburb of 500,000+ population)
- **Moderate**: 39.2% (city/suburb of 50,000-499,999 population)
- **Small**: 24.8% (city/town of less than 50,000 population)
- **Rural**: 7.2% (unincorporated area)
**U.S. Census District**

- **New England**: 5.2%
- **Middle Atlantic**: 13.5%
- **South Atlantic**: 21.5%
- **East S. Central**: 2.6%
- **West S. Central**: 7.8%
- **East N. Central**: 14.3%
- **West N. Central**: 8.6%
- **Mountain**: 10.8%
- **Pacific**: 15.6%
- **North Central**: 13.5%
- **Mountain**: 10.8%
- **Pacific**: 15.6%

**Gender**

- **Male**: 57.4%
- **Female**: 42.6%
## Credentials Held

<table>
<thead>
<tr>
<th>Credential</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrolled Agent</td>
<td>44.9%</td>
</tr>
<tr>
<td>Certified Public Accountant</td>
<td>28.6%</td>
</tr>
<tr>
<td>Accredited Tax Preparer</td>
<td>20.7%</td>
</tr>
<tr>
<td>Annual Filing Season Program-Record of Completion</td>
<td>18.5%</td>
</tr>
<tr>
<td>Accredited Tax Advisor</td>
<td>13.9%</td>
</tr>
<tr>
<td>Registered/ Licensed Public Accountant or Accounting Practitioner</td>
<td>9.6%</td>
</tr>
<tr>
<td>Accredited Business Advisor/ Accountant</td>
<td>9.3%</td>
</tr>
<tr>
<td>Unlicensed Practitioner</td>
<td>9.1%</td>
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<tr>
<td>Registered Investment Advisor</td>
<td>4.3%</td>
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<tr>
<td>Certified Financial Planner</td>
<td>2.1%</td>
</tr>
<tr>
<td>Accredited Retirement Advisor/ Elder Care Specialist</td>
<td>1.8%</td>
</tr>
<tr>
<td>Certified Senior Advisor</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

### Size of City

<table>
<thead>
<tr>
<th>Size of City</th>
<th>Enrolled Agent</th>
<th>Certified Public Accountant</th>
<th>Unlicensed Practitioner</th>
<th>Other Credentials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large</td>
<td>48.0%</td>
<td>29.2%</td>
<td>7.2%</td>
<td>47.7%</td>
</tr>
<tr>
<td>Moderate</td>
<td>44.4%</td>
<td>28.6%</td>
<td>8.8%</td>
<td>54.3%</td>
</tr>
<tr>
<td>Small</td>
<td>40.8%</td>
<td>27.7%</td>
<td>11.3%</td>
<td>49.2%</td>
</tr>
<tr>
<td>Rural</td>
<td>44.3%</td>
<td>25.7%</td>
<td>8.6%</td>
<td>54.3%</td>
</tr>
<tr>
<td><strong>All Respondents</strong></td>
<td><strong>44.2%</strong></td>
<td><strong>28.2%</strong></td>
<td><strong>8.9%</strong></td>
<td><strong>51.2%</strong></td>
</tr>
</tbody>
</table>

Large = city/suburb of 500,000+ population  
Moderate = city/suburb of 50,000-499,999 population  
Small = city/town of less than 50,000 population  
Rural = unincorporated area
Regarding salaries/hourly wages and benefits:

- The average annual salary as of July 1, 2020 for a principal/partner was $80,180.
- The average additional compensation paid in 2019 for a principal/partner was $25,165.
- The average hourly wage for a seasonal/part-time practitioner-accounting and tax (licensed/credentialed) was $52.61; the highest hourly wage was $57.37.
- Retirement plans was the most offered fringe benefit by the practice to both principals/partners (69%) and other full-time employees (66%).
- Health insurance (54%) was the second most offered fringe benefit to other full-time employees followed by professional development reimbursement (53%) and dental insurance (28%).
- Flex time was the most offered other benefit (51%) followed by telecommuting (38%).
Average Annual Salary and Additional Cash Compensation for Full-Time Positions

- Principal/Partner: $80,180
- Practitioner - Accounting and Tax Licensed/Credentialled: $59,584
- Practitioner - Accounting and Tax NOT Licensed/NOT Credentialled: $45,634
- Other Support Staff: $29,083
- Bookkeeper: $31,496

Additional Compensation Paid in 2019:
- Principal/Partner: $25,165
- Practitioner - Accounting and Tax Licensed/Credentialled: $11,354
- Practitioner - Accounting and Tax NOT Licensed/NOT Credentialled: $5,165
- Other Support Staff: $4,524
- Bookkeeper: $4,842

Average Hourly Wage and Highest Hourly Wage for Part-Time/Seasonal Positions

- Practitioner - Accounting and Tax Licensed/Credentialled: $52.61 / $57.37
- Practitioner - Accounting and Tax NOT Licensed/NOT Credentialled: $29.19 / $30.12
- Other Support Staff: $18.17 / $19.56
- Bookkeeper: $22.49 / $23.49
Fringe Benefits Offered by The Practice

- **Retirement Plan**: 69.4% for Principals/Partners, 65.8% for Other Full-Time Employees.
- **Health Insurance**: 53.9% for Principals/Partners, 59.2% for Other Full-Time Employees.
- **Professional Development Reimbursement**: 53.1% for Principals/Partners, 46.1% for Other Full-Time Employees.
- **Dental Insurance**: 28.4% for Principals/Partners, 29.4% for Other Full-Time Employees.
- **Life Insurance**: 21.0% for Principals/Partners, 22.7% for Other Full-Time Employees.
- **Eye Care Program**: 21.0% for Principals/Partners, 21.9% for Other Full-Time Employees.
- **Disability Insurance**: 16.5% for Principals/Partners, 16.6% for Other Full-Time Employees.
- **Cafeteria Plan**: 16.9% for Principals/Partners, 9.3% for Other Full-Time Employees.
- **Child Care**: 4.9% for Principals/Partners, 1.7% for Other Full-Time Employees.

Other Benefits Offered

- **Flex Time**: 51.2% Yes, 48.8% No.
- **Telecommuting**: 38.1% Yes, 61.9% No.
- **Job Sharing**: 14.4% Yes, 85.6% No.
### National Overview: The Practice

**The typical practice:**

- Operates as a sole proprietorship (32%)
- Has 1.2 full-time principals/partners, 2.9 full-time employees, 1.8 part-time employees, and 2.1 seasonal employees
- Had an annual gross practice income in 2019 of $309,543 and a net income of $101,158
- Had annual gross income per FTE in 2019 of $111,639
- Billed 37% of firm’s total income by fixed fee and 35% by form in 2019
- Writes-off 3% of firm’s gross billings each year
- Derives 55% of gross income from the preparation of federal/state tax returns
- Allocates 43% of its operating expenses to salaries/benefits (other than retirement)
- Relies most often on referrals from existing clients (98%) for promotion of the practice, and finds referrals from existing clients very useful (84%)
- Uses Facebook (79%) or LinkedIn (57%) social networks for marketing and promoting practice
**Type of Practice**

- **Sole Proprietor**: 31.8%
- **Partnership**: 1.4%
- **Professional Corp.**: 2.4%
- **S Corporation**: 26.4%
- **C Corporation**: 5.8%
- **C Corporation**: 1.7%
- **Partnership**: 3.2%
- **S Corporation**: 19.5%
- **Disregarded Entity**: 7.9%
- **LLC**: 32.3%

**Average Number of Employees**

- **Support Staff**: Full-Time - 1.7, Part-Time - 1.6, Seasonal - 1.6
- **Professional Staff**: Full-Time - 2.5, Part-Time - 1.5, Seasonal - 2.2
- **Principals/ Partners**: Full-Time - 1.2, Part-Time - 1.1, Seasonal - 1.3
- **All Employees**: Full-Time - 2.9, Part-Time - 1.8, Seasonal - 2.1
**Full-Time Staff**

- 3 or More: 40.3%
- Two: 19.3%
- One: 40.3%

Average gross income per full-time employee in 2019: $111,639

**Firm Gross Income 2019**

- Under $50,000: 14.5%
- $50,000 - $99,999: 17.8%
- $100,000 - $199,999: 21.1%
- $200,000 - $399,999: 25.3%
- $400,000 & over: 21.3%

Average gross income in 2019: $309,543
Average Gross Income for 2019 By Census District

- East N. Central: $450,284
- Pacific: $358,092
- West N. Central: $329,802
- Middle Atlantic: $328,365
- South Atlantic: $280,096
- West S. Central: $249,315
- New England: $213,976
- East S. Central: $206,096
- Mountain: $187,675
- All Respondents: $309,543

Average Net Income for 2019 By Census District

- Pacific: $113,097
- East N. Central: $111,641
- Middle Atlantic: $111,017
- South Atlantic: $108,822
- New England: $106,419
- West N. Central: $100,176
- West S. Central: $97,801
- East S. Central: $75,770
- Mountain: $51,887
- All Respondents: $101,158
Median Household Income for Clients of Your Practice

- Under $50,000: 5.5%
- $50,000-$99,999: 47.4%
- $100,000-$149,999: 26.3%
- $150,000 and over: 20.8%

Percent of Total Income Billed – 2019 Actual

- Hourly: 24.1%
- By Form: 35.1%
- Fixed Fee: 37.2%
- Other: 3.7%
Percent of Gross Billings Written Off by Gross Income (2019)

Client Services as a Percent of Gross Income
Social Networking Tools Used for Marketing

- Facebook: 79.1%
- LinkedIn: 57.2%
- Twitter: 16.8%
- Blogs: 9.8%
- Other: 9.1%
- Instagram: 8.4%

46.2% Percent rated Facebook as Useful or Very Useful
### Fees: Federal Tax Returns

The typical firm charges an average fee of:

- **$78** for Form 940 (Federal Unemployment)
- **$94** for Form 943 (Employer’s Quarterly for Farms)
- **$96** for Form 941 (Employer’s Quarterly Return)
- **$220** for Form 1040, not itemized
- **$323** for Form 1040, itemized
- **$421** for Form 709 (Gift Tax)
- **$576** for Form 1041 (Fiduciary)
- **$733** for Form 1065 (Partnership)
- **$735** for Form 990 (Exempt Organization)
- **$903** for Form 1120S (S Corporation)
- **$913** for Form 1120 (Corporation)
- **$1,289** for Form 706 (Estates)
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<td>Form 990-T (UBI for Tax Exempt Orgs.)</td>
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<td>Form 1041 (Fiduciary)</td>
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<td>Form 1120 (Corporation)</td>
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<td>Form 1120S (S Corp.)</td>
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<td>$807</td>
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<td>Form 5500 (Pension/Profit Sharing Plans)</td>
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<tr>
<td>Schedule B (Interest and Ordinary Dividends)</td>
<td>$42</td>
<td>$45</td>
<td>NA</td>
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<td>Schedule C (Business)</td>
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<td>$184</td>
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<tr>
<td>Schedule D/Form 8949 (Gains &amp; Losses)</td>
<td>$118</td>
<td>$109</td>
<td>$124</td>
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<td>Schedule E (Rental)</td>
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<td>Schedule EIC (Earned Income Credit)</td>
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<td>$62</td>
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<tr>
<td>Schedule F (Farm)</td>
<td>$200</td>
<td>$175</td>
<td>$180</td>
<td>$158</td>
<td>$185</td>
<td>$238</td>
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<td>$200</td>
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<tr>
<td>Schedule H (Household Employment Taxes)</td>
<td>$66</td>
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<td>NA</td>
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<tr>
<td>Schedule SE (Self Employment Tax)</td>
<td>$41</td>
<td>$40</td>
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<td>NA</td>
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<td>NA</td>
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</tbody>
</table>
Average Fees – Schedules

- Schedule F (Farm) $200
- Schedule C (Business) $192
- Schedule E (Rental) $145
- Schedule D/ Form 8949 (Gains & Losses) $118
- Schedule H (Household Employment Taxes) $66
- Schedule EIC (Earned Income Credit) $65
- Schedule B (Interest and Ordinary Dividends) $42
- Schedule SE (Self Employment Tax) $41
Average Hourly Fees - Forms

- Form 706 (Estates) $188.63
- Form 1120 (Corporation) $181.57
- Form 1120S (S Corp) $179.81
- Form 709 (Gift Tax) $178.79
- Form 1065 (Partnership) $177.29
- Form 1041 (Fiduciary) $172.66
- Form 990 (Exempt Organization) $171.48
- Form 1040 (Itemized Sch A & State) $161.34
- Form 1040 (Not Itemized & State) $153.74
- Form 943 (Employer's Quarterly for Farms) $116.49
- Form 941 (Employer's Quarterly) $113.53
- Form 940 (Federal Unemployment) $111.95
With respect to additional fees charged to clients, the typical firm:

- charges a fee to prepare W-2s (76%) for an average fee of $69.75
- charges a fee to prepare 1099s (85%) for an average fee of $67.72
- does not charge a fee to file extensions (58%); those who do, charge an average fee of $55.94
- does not charge a fee to expedite returns (68%); those who do, charge $136.32 (average)
- charges clients a fee if they bring in disorganized/incomplete files (78%); average fee is $165.82
- does not charge a fee if receive tax information after set deadline (74%); those who do, charge $116.97, 16 days in advance of a filing deadline
With respect to additional fees charged to clients, a fee for IRS letter/audit responses when firm didn’t prepare their return (67%); those who do charge a fee, the average fee for an IRS letter/audit response is $161.61.

Charges a fee for an in-person IRS audit that does not appear to be due to negligence on the part of the practice (84%); average hourly fee is $167.63 to represent, average retainer fee to represent is $799, and minimum fixed fee to represent is $605.

Has seen the number of tax audits stay the same over the past year (62%)

Charges a retainer for IRS audits (68%) at an average amount of $902.

Charges a retainer for offers in compromise and tax preparation for non-current year (56% each) at an average amount of $1,277 and $377, respectively.
### Additional Fees

<table>
<thead>
<tr>
<th>Service</th>
<th>Yes (%)</th>
<th>No (%)</th>
<th>Average Amount Charged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare W-2s</td>
<td>75.6%</td>
<td>24.4%</td>
<td>$69.75</td>
</tr>
<tr>
<td>Prepare 1099s</td>
<td>85.0%</td>
<td>15.0%</td>
<td>$67.72</td>
</tr>
<tr>
<td>File extensions</td>
<td>41.6%</td>
<td>58.4%</td>
<td>$55.94</td>
</tr>
<tr>
<td>Expedite clients' returns</td>
<td>32.0%</td>
<td>68.0%</td>
<td>$136.32</td>
</tr>
<tr>
<td>Bring disorganized/incomplete files</td>
<td>78.1%</td>
<td>21.9%</td>
<td>$165.82</td>
</tr>
</tbody>
</table>

### Additional Fee If Receive Tax Information After Set Deadline

- **Yes**: 26.2%
  - Average Fee Charged: $116.97
  - Average Number of Days in Advance of Tax Deadline: 16 Days
- **No**: 73.8%
### Charge Retainers

<table>
<thead>
<tr>
<th>Service</th>
<th>Average Amount Charged</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRS audits</td>
<td>$902</td>
<td>67.5%</td>
</tr>
<tr>
<td>Offers in compromise</td>
<td>$1,277</td>
<td>56.0%</td>
</tr>
<tr>
<td>Tax Preparation for non-current year</td>
<td>$377</td>
<td>55.5%</td>
</tr>
<tr>
<td>Accounting Services for non-current year</td>
<td>$712</td>
<td>49.3%</td>
</tr>
<tr>
<td>Working with client’s in other states or countries</td>
<td>$518</td>
<td>22.6%</td>
</tr>
<tr>
<td>Other</td>
<td>$1,384</td>
<td>6.5%</td>
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</tbody>
</table>

### Circumstances for Charging for IRS Letter/Audit Responses

<table>
<thead>
<tr>
<th>Circumstance</th>
<th>Average Amount Charged</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>When I did not prepare their return</td>
<td></td>
<td>67.2%</td>
</tr>
<tr>
<td>When I prepare the return, but am not at fault</td>
<td></td>
<td>52.1%</td>
</tr>
<tr>
<td>I never charge for IRS response letters</td>
<td></td>
<td>10.4%</td>
</tr>
<tr>
<td>I always charge for IRS response letters</td>
<td></td>
<td>10.4%</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>5.2%</td>
</tr>
</tbody>
</table>

If yes, Average Amount Charged: $161.61
Charge Clients Separate Fee to Represent Them in the Event of an In-Person IRS Audit

Yes 84.0%
No 16.0%

If yes, firm’s average fees are:
Hourly fee: $167.63
Minimum-fixed fee: $605
Retainer: $799

Change in the Number of Audits

Increased 6.3%
Stayed the same 61.7%
Decreased 32.0%
The typical (average) hourly fees for client services are:

- $100 for full payroll services
- $101 for after-fact payroll services
- $106 for write-up work
- $109 for QuickBooks or bookkeeping advisory services
- $148 for elder care services
- $154 for financial services
- $158 for Management advisory services
Fees vary sharply state-by-state. For more specific comparatives, please turn to the state and regional sections of this report.

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit of financial statements</td>
<td>$164</td>
</tr>
<tr>
<td>Financial statement presentation</td>
<td>$164</td>
</tr>
<tr>
<td>Estate/financial planning services</td>
<td>$170</td>
</tr>
<tr>
<td>Tax services</td>
<td>$174</td>
</tr>
<tr>
<td>Federal/State tax returns</td>
<td>$180</td>
</tr>
<tr>
<td>Offers in compromise</td>
<td>$201</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>Full Payroll Services</td>
<td>$99.66</td>
</tr>
<tr>
<td>After-fact Payroll Services</td>
<td>$100.99</td>
</tr>
<tr>
<td>Payroll Services</td>
<td>NA</td>
</tr>
<tr>
<td>Federal/State Tax Returns</td>
<td>$179.71</td>
</tr>
<tr>
<td>Tax Services</td>
<td>$174.29</td>
</tr>
<tr>
<td>Estate/Financial Planning</td>
<td>$170.43</td>
</tr>
<tr>
<td>Write-Up Work</td>
<td>$105.51</td>
</tr>
<tr>
<td>Financial Statement Presentation</td>
<td>$163.85</td>
</tr>
<tr>
<td>Audit of Financial Statements</td>
<td>$163.69</td>
</tr>
<tr>
<td>Management Advisory Services</td>
<td>$157.89</td>
</tr>
<tr>
<td>QuickBooks or Bookkeeping Advisory Services</td>
<td>$108.61</td>
</tr>
<tr>
<td>Financial Services</td>
<td>$153.73</td>
</tr>
<tr>
<td>Elder Care Services</td>
<td>$147.78</td>
</tr>
<tr>
<td>Offers in Compromise</td>
<td>$201.16</td>
</tr>
</tbody>
</table>

### Client Services Average Hourly Fees

- **Offers in Compromise**: $201.16
- **Federal/State Tax Return**: $179.71
- **Tax Services**: $174.29
- **Estate/Financial Planning**: $170.43
- **Financial Statement Presentation**: $163.85
- **Audit of Financial Statements**: $163.69
- **Management Advisory Services**: $157.89
- **Financial Services**: $153.73
- **Elder Care Services**: $147.78
- **QuickBooks or Bookkeeping Advisory Services**: $108.61
- **Write-Up Work**: $105.51
- **After-fact Payroll Services**: $100.99
- **Full Payroll Services**: $99.66
The typical firm:

- bills at the end of the job (85%)
- accepts credit cards for payment of services (53%)
- charges interest on past due accounts (22%)
- utilizes progress billing (21%)
- itemizes charges for copies, faxes, deliveries, phone calls, etc. (17%)
- uses an engagement letter for taxes (92%)
offers tax organizers for clients (80%), most often offering them to all clients (45%), but 65% say clients are not required to complete them

has clients send or drop off organizers/documents (45%) or has clients come into office for an interview (31%)

most often increases all fees (tax preparation, accounting services, payroll, and bookkeeping) annually, and increases fees every other year second-most often

increased tax preparation fees 5.7% in 2020 and expects to increase 6.0% in 2021

bills for tax preparation fees by form (38%)

bills a fixed fee for payroll (57%) and for bookkeeping services (41%)
Tax Organizers

![Bar chart showing the percentage of firms offering tax organizers to clients, with options to require clients to complete them and who gets them.]

Data Collection from Clients to Prepare Tax Returns

![Pie chart showing the percentage of firms using different methods for data collection from clients, with the most common method being client sends or drops off organizer/documents (45.3%).]
How Often Fees Are Increased

- **Tax Preparation**: 0.0% Quarterly/Semi-Annually, 54.0% Annually, 34.8% Every Other Year, 11.2% Other
- **Accounting Services**: 0.8% Quarterly/Semi-Annually, 45.4% Annually, 37.2% Every Other Year, 16.7% Other
- **Payroll**: 1.7% Quarterly/Semi-Annually, 42.8% Annually, 36.8% Every Other Year, 18.6% Other
- **Bookkeeping Services**: 1.2% Quarterly/Semi-Annually, 45.5% Annually, 36.9% Every Other Year, 16.5% Other
- **Other**: 1.0% Quarterly/Semi-Annually, 49.9% Annually, 34.3% Every Other Year, 14.8% Other

Actual 2020 Fee Increases and Anticipated 2021 Fee Increases

- **Tax Preparation**: Average Actual % Increase in 2020: 5.7%, Average Anticipated % Increase for 2021: 6.0%
- **Accounting Services**: Average Actual % Increase in 2020: 4.8%, Average Anticipated % Increase for 2021: 5.8%
- **Payroll**: Average Actual % Increase in 2020: 4.5%, Average Anticipated % Increase for 2021: 5.2%
- **Bookkeeping Services**: Average Actual % Increase in 2020: 4.8%, Average Anticipated % Increase for 2021: 5.9%
- **Other**: Average Actual % Increase in 2020: 4.5%, Average Anticipated % Increase for 2021: 5.8%
How Fees Are Billed

- **Tax Preparation**
  - Fixed Fee: 26.8%
  - Hourly: 7.0%
  - Fixed & Hourly: 23.6%
  - By Form: 37.8%
  - Other: 4.8%

- **Accounting Services**
  - Fixed Fee: 38.5%
  - Hourly: 33.7%
  - Fixed & Hourly: 25.4%
  - Other: 2.4%

- **Payroll**
  - Fixed Fee: 56.8%
  - Hourly: 17.6%
  - Fixed & Hourly: 21.6%
  - Other: 4.0%

- **Bookkeeping Services**
  - Fixed Fee: 40.6%
  - Hourly: 30.0%
  - Fixed & Hourly: 27.1%
  - Other: 2.3%

- **Other**
  - Fixed Fee: 23.2%
  - Hourly: 45.3%
  - Fixed & Hourly: 29.1%
  - Other: 2.4%
The typical practice:

- was not involved in any client disputes over the past year (88%)
- is most likely to review problem clients as they occur (71%)
- most likely pays all of the resulting interest or penalty if the error was totally or partially the practice’s fault (55% and 73%, respectively)
- did not turn over any disputes to E&O provider (88%)
Frequency Review Problem Clients

- As they occur: 71.3%
- After tax season: 11.5%
- Once a year: 11.7%
- Never: 3.4%
- Other: 2.0%

Involved in Any Client Disputes Over Past Year

- Yes: 12.1%
- No: 87.9%
Involved in Any Client Disputes Over Past Year (% Yes) by Gross Income (2019)

<table>
<thead>
<tr>
<th>Income Level</th>
<th>% Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $50,000</td>
<td>7.4%</td>
</tr>
<tr>
<td>$50,000-99,999</td>
<td>7.7%</td>
</tr>
<tr>
<td>$100,000-199,999</td>
<td>13.8%</td>
</tr>
<tr>
<td>$200,000-399,999</td>
<td>12.9%</td>
</tr>
<tr>
<td>$400,000 &amp; over</td>
<td>20.3%</td>
</tr>
<tr>
<td>All Respondents</td>
<td>12.1%</td>
</tr>
</tbody>
</table>

How Much Paid of Client Disputes

Interest

- None: 24.5%
- Some: 20.2%
- All: 55.3%

Penalty

- None: 10.8%
- Some: 16.5%
- All: 72.8%
Client Disputes Turned Over to E&O Provider

- None: 88.1%
- Some: 1.8%
- All: 0.3%
- N/A - do not have E&O Insurance: 9.9%
The typical practice:

- is 53% paperless
- uses online data backup/remote backup services (74%)
- does not use the cloud to host own applications (65%) or their clients’ applications (62%)
- uses secure web portals/cloud platforms to share files with clients (64%)
- does not use workflow and practice management software (80%)
- has Cyber Liability Insurance (59%)
- handles the office IT through a consultant (58%)
- uses website most often for awareness (81%)
- uses social media most often for awareness (77%)
Percent of Total Office That is Paperless by Type of Practice

- Sole Proprietor: 46.3%
- Partnership: 44.6%
- LLC-C Corporation: 51.3%
- LLC-Partnership: 64.2%
- LLC-S Corporation: 61.8%
- LLC-Disregarded Entity: 50.4%
- Professional Corp.: 55.7%
- S Corporation: 52.4%
- C Corporation: 57.8%

52.6%
Percent of total office that is paperless – All Respondents

Other Technology Used in Firm

- Online data backup/remote backup services: Yes 74.3%, No 25.7%
- Cloud to Host Company’s Applications: Yes 35.0%, No 65.0%
- Cloud to Host Your Clients’ Applications: Yes 37.8%, No 62.2%
- Secure Log in Web Portals/Cloud Platforms to Share Files with Clients: Yes 64.2%, No 35.8%
- Workflow and Practice Management Software: Yes 20.1%, No 79.9%
- Cyber Liability Insurance: Yes 59.2%, No 40.8%
How IT is Handled

- Staff person (full-time or part-time) 8.2%
- Consultant 57.7%
- Do it yourself 34.1%

Usage of Website

- Awareness 80.5%
- Lead generation 31.1%
- Industry news & alerts 28.2%
- File sharing/uploading 26.1%
- Other 9.9%
- Blogging 7.6%