

3 Powerful Questions to Ensure you have the RIGHT CPA



Most individuals have been with their CPAs for many years and have developed a high level of trust with them. Trust is a very important attribute you must have with your CPA as they are responsible for the understanding and planning of all your financial needs. Most of us consider our financial situations to be a very personal and private matter and as such, we rely heavily on the trust of the client-advisor relationship with our CPAs. Although trust is an important and necessary attribute in your client-advisor relationship, often times, trust alone is not enough to assist you in achieving your financial goals. As astute investors, we must sometimes take a step back and re-evaluate our relationships with our advisors to ensure that they are still providing the level of service we need. Also, we need to make sure we are still the right type of client for them. Here are 3 Powerful questions to ask your CPA to ensure your relationship is still mutually beneficial and you are still receiving the right level of support for your investing goals:

1) Who are your top 3 clients now and what are they involved in?

This gives you an idea of what industries they are servicing. Preferably at least one or more of their top three clients are involved in your industry. This is important because no matter what industry your business is in, there a lot of tax and financial strategies specific to your line of business. You want to make sure your CPA is experienced and familiar with all those great loopholes and top-notch tax reduction strategies that you may be able to benefit from. Remember: You do not want to be the person who “teaches” strategies to your CPA; rather, you want your advisor to already have the experience and expertise to service you in your growing investment needs.

2) What are some strategies that you have used recently to help your clients save significant amounts of taxes?

This is where you have to listen carefully for answers to see if your advisor is a pro-active or re-active practitioner. If they answer with: “I told them to deduct their wedding costs as a business expense”, that should be a red flag for you. The key words we are looking for are not what “I did” or “I told them to do”. These statements show that the advisor is making subjective decisions on your tax returns based on what “he/she thinks” can be done. Rather, if your advisor’s answer is “we recently re-structured our clients company to save taxes...” that is a good sign you are working with a pro-active advisor. The key words that reflect a pro-active approach are “structure”, “re-structure”, “planned”, “documented to support”...you get the idea.

- 3) What are the trends you are seeing in “my” market and what are you seeing as ways to profit from or safe-proof from these trends?

This gives you an idea of how familiar they are with what’s going on in your industry and how knowledgeable they are with some of the potential issues you are facing. In addition, this question gives you a way to tap into them and their clients’ experiences. This exercise not only let’s you determine whether your CPA is familiar with your industry, but it may also generate some great ideas for you to implement! Remember: It is always beneficial to leverage their contacts and tap into their knowledge and expertise that may be applicable to achieving your business or investment plans.

Of course, if you do not currently have a CPA and looking for an advisor, the above 3 questions are great questions to ask in determining whether they would be a good fit for you. Key Note: a good advisor will tell you when something is not their specialty and often have a referral. An advisor to avoid is one who wants to advise you on everything, whether they really know what they are talking about or not.

As an added **bonus**, here are **5 tips** to Ask Yourself in determining your satisfaction with your current advisor:

1. Can you trust them to deliver what they promised?
2. Do they truly care about helping you and your investments succeed?
3. Do they understand your current situation — including your issues and goals?
4. How have they helped you to overcome your problems in the past?
5. Will they be proactive in helping you plan towards accomplishing your goals?

At the end of the day, the 2 key aspects are Trust and Experience. The above questions to ask your advisor and yourself should assist you in making that determination. You may realize that you are receiving excellent service from your current advisor. Or it may bring to light that it’s time to upgrade your advisor team. Take some time now to go through this process to ensure you have competent and qualified advisors to help you **SUPERCHARGE** your wealth building!

KEYSTONE CPA, INC. 

Maximizing Profits & Increasing Wealth

Copyright © 2010

www.KeystoneCPA.com (877) 975-0975