

WHITEPAPER

# Beyond Tax Preparation: The CPA's Path to Proactive Tax Planning

Turn your seasonal hustle into a  
year-round revenue generator



## The Revenue Gap You're Leaving on the Table

Your clients face a critical problem: **they receive tax preparation services when it's too late to implement meaningful strategies.** By the time you file their return, opportunities for tax reduction have passed.

The economics tell the story:

- Clients spend \$200-\$1,500 per return on tax preparation, depending on complexity
- Clients spend \$2,351-\$10,000+ annually on tax planning/advice
- Planning fees average 5x higher than preparation fees

Tax preparation is being commoditized through automation and online platforms. Meanwhile, clients pay premium rates for strategic tax planning, seeking proactive guidance instead of reactive compliance.

The gap between preparation revenue and planning revenue represents your largest untapped opportunity.

## The Client Retention Reality

Clients leave CPAs for two reasons:

- 1.They found someone charging less for the same compliance work
- 2.They found someone offering strategic value their tax preparer don't provide

Tax planning creates retention because it's relationship-based, not transactional. When you've modeled a client's 10-year tax strategy, they won't switch firms to save \$200 on preparation fees.

### Why does this work?

Tax planning creates ongoing relationships. You meet quarterly. You model scenarios. You adjust strategies. Clients depend on you year-round.

Preparation is transactional: File the return, wait twelve months, repeat.

When you've built a multi-year tax strategy with a client, they don't leave to save a few hundred dollars on compliance fees.

## What Tax Planning Delivers (That Preparation Cannot)

Tax preparation looks backward. Tax planning looks forward and creates value through:



### **Roth Conversion Analysis**

Identify optimal conversion years based on income projections, bracket management, and future RMD impact. A single well-timed conversion can save clients \$50,000-200,000 over retirement.



### **Multi-Year Tax Projections**

Model 3-5 year scenarios showing the impact of business decisions, real estate transactions, and retirement distributions. Clients make better decisions when they see the full tax picture.



### **Strategic Income Timing**

Advise clients on when to accelerate or defer income, exercise stock options, or harvest capital losses. These decisions require real-time guidance, not annual hindsight.



### **Medicare Premium Management**

IRMAA brackets create effective marginal rates exceeding 50%. Planning around these thresholds saves clients \$2,000-6,000 annually in Medicare premiums.



**Estate and Gift Tax Coordination** Annual exclusion gifts, SLAT structures, and basis step-up strategies require ongoing planning conversations, not once-yearly data entry.

## Your Competitive Advantage

Most CPAs still operate in preparation mode. This creates your opportunity. Financial advisors are moving into tax planning, but they can't prepare returns. Attorneys understand estate tax but lack annual tax expertise.

You have the technical foundation and client relationships to own this space if you build the delivery infrastructure.

The technology gap has closed. Modern tax planning software integrates with your existing workflows, pulling data directly from tax returns and generating client-ready projections in minutes, not hours.

## From Preparation to Planning

Consider these when moving from preparation to planning:

- 1. Pricing Structure** Planning services command different fees than preparation. Structure your pricing to reflect the strategic value you're providing.
- 2. Service Calendar** Planning requires regular client contact throughout the year, not just during tax season. Distribute your workload across all twelve months.
- 3. Technology Infrastructure** Tax planning software handles complex scenarios that spreadsheets can't manage efficiently. The right tools make planning scalable.



## What This Means for Your Practice

Consider two CPAs with similar client bases:

# A

# B

### CPA A (Preparation Focus)

- 200 clients × \$1,500 average = \$300,000 revenue
- 4-month work compression (January-April)
- High staff turnover during tax season
- Declining margins as software automates compliance

### CPA B (Planning Integration)

- 150 clients × \$1,500 preparation + \$4,000 planning = \$825,000 revenue
- 12-month revenue distribution
- Higher-skilled staff doing strategic work
- Increasing margins as advisory scales



Same effort. Different business model. **175% more revenue.**





## Take Action Today

Holistiplan provides the infrastructure CPAs need to deliver institutional-quality tax planning without adding staff or complexity.

### What You Get:

- Automated multi-year projections
- Roth conversion analysis with breakeven calculations
- Social Security claiming strategies
- Client-ready reports in minutes
- Ongoing training and support



## Ready to see how Holistiplan can differentiate your practice?

See how leading firms process dozens of returns simultaneously, deliver client-ready reports in minutes, and serve 120+ households per advisor, without hiring.

Your next growth phase doesn't require more people. It requires better system.

**BOOK A DEMO OR START A FREE TRIAL**

