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## **Tax Return Preparation Fee Averages \$261**

### ***National Society of Accountants survey reports on fees to prepare a range of tax returns***

ALEXANDRIA, VA, December 12, 2013 — Taxpayers looking to hire a professional to complete their 2013 tax return can expect to pay an average of \$261 for an itemized Form 1040 with Schedule A and a state tax return, according to the National Society of Accountants (NSA).

“The IRS says it takes an average of four hours just to complete and submit a Form 1040,” says NSA Executive Vice President John Ams. “Add at least another hour if you also have to complete a state return.

“You have to ask, ‘How much is your time worth?’ Plus I haven’t met many people who enjoy preparing their taxes, so hiring a professional to prepare your tax return can take a very unpleasant task off your plate. That’s worth something.”

Ams adds that tax preparers make it their business to keep up with tax law changes. “If a professional tax preparer can catch even one deduction or credit you may have missed, that can easily pay for the fee,” he notes.

Fees for non-itemized returns are also low – the average cost to prepare a Form 1040 and state return without itemized deductions is only \$152.

Fee information was collected in a survey of tax preparers conducted by NSA. The tax and accounting firms surveyed are largely owners, principals, and

partners of local “Main Street” companies who have an average of more than 26 years of experience.

“Members of NSA are highly qualified tax professionals who typically hold multiple credentials that demonstrate their expertise,” Ams adds. “Taxpayers receive personal service from people who live and work in their community and fully understand local and state tax laws in addition to their deep knowledge of the federal tax code.”

Most of them hold widely respected credentials such as Enrolled Agent, Certified Public Accountant, Accredited Tax Preparer, Accredited Tax Advisor, and others.

The survey also reported the average fees for preparing other Internal Revenue Service (IRS) tax forms, including:

- \$218 for a Form 1040 Schedule C (business)
- \$590 for a Form 1065 (partnership)
- \$806 for a Form 1120 (corporation)
- \$761 for a Form 1120S (S corporation)
- \$497 for a Form 1041 (fiduciary)
- \$667 for a Form 990 (tax exempt)
- \$63 for a Form 940 (Federal unemployment)
- \$142 for Schedule D (gains and losses)
- \$165 for Schedule E (rental)
- \$196 for Schedule F (farm)

Fees vary by region, firm size, population, and economic strength of an area. The average tax preparation fee for an itemized Form 1040 with Schedule A and a state tax return in each U.S. census district are as follows:

- New England (CT, ME, MA, NH, RI, VT) – \$251
- Middle Atlantic (NJ, NY, PA) – \$274

- South Atlantic (DE, DC, FL, GA, MD, NC, SC, VA, WV) – \$270
- East South Central (AL, KY, MS, TN) – \$294
- West South Central (AR, LA, OK, TX) – \$242
- East North Central (IL, IN, MI, OH, WI) – \$238
- West North Central (IA, KS, MN, MO, NE, ND, SD) – \$208
- Mountain (AZ, CO, ID, MT, NV, NM, UT, WY) – \$245
- Pacific (AK, CA, HI, OR, WA) – \$303

Nearly 90 percent of accounting firms offer prospective clients a free consultation, which can be worth well over \$100 based on the hourly fees of most tax preparers.

Sixty percent of accounting firms do not require payment until returns are completed and clients are satisfied. Others may require a portion of the fee upfront or payments throughout the tax return process.

All fees assume a taxpayer has gathered and organized all necessary information. Taxpayers should also make sure they provide information on time to avoid additional fees. Some will charge an average fee of \$44 to file an extension, an average fee of \$78 to expedite a return, and an average fee of \$85 if information is not provided by 15 days in advance of a filing deadline.

For more information and to use an online search directory to identify a qualified tax preparer in your area, visit [www.nsacct.org](http://www.nsacct.org) and click on “Find a Professional” or call 800-966-6679.

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