



What exactly is a tax consultant?

Introduction

Tax consultants, also referred to as tax counselors, specialize in tax law, planning, and compliance. They help firms and individuals stay updated on new tax legislation and position people for short- and long-term tax savings. The role of a [tax consultant](#) is usually expanded on that of a tax preparer. While tax advisors prepare tax returns, they also work with clients throughout the year to keep their tax obligations to a minimum. Don't assume that only the wealthy can afford a tax consultant. Hiring one may cost a few hundred dollars up front, but it might save you thousands of dollars or more in the long run.

Difference between an accountant and a [tax advisor](#)?

A **tax consultant** is a professional who has received training in all aspects of tax law. A tax advisor must be either a tax practitioner or the proprietor of a tax consulting firm if you need legal tax advice. He must also hold a certificate of practice at the same time. A [tax advisor](#) could be a CPA, lawyer, Enrolled Agent, or simply someone who prepares taxes but has no licensure.

The following are the top five reasons to [hire a tax consultant](#):

- 1) Receive all of your deductions — A tax consultant can assist you by quickly recognizing potential deductions throughout the year and advising you on making strategic year-end deduction decisions. The term “accountant” is a broad term, and although this isn't always the case, an accountant can also be a tax advisor. All accountants do not provide [tax accounting services](#). Some accountants perform financial reporting, journal reconciliation, budgeting, and other activities. A knowledgeable and experienced tax advisor can advise you on saving money on taxes without causing you any trouble with the IRS or complicating your financial situation.
- 2) Save time — Compiling, digging up records, checking for write-offs, and double-checking all your receipts can take up to 8 hours on average before you can begin filing your taxes.
- 3) Ongoing Counsellor — Even if you are no longer officially engaging a [tax consultant](#), you can continue to use him or her as your tax advisor. This way, you'll be able to ask for updates or guidance whenever you need it.

4) It's always safe and legal – if in doubt, consult a professional. Hiring a qualified tax consultant to maintain track of your tax records is always secure and legal, so who better to assist you than a professional?

5) Tax consultant vs. tax software – Tax software has grown in popularity in recent years. As a result, millions of Americans are doing their taxes on their own across the country.

Unfortunately, the software cannot replace the services of a qualified tax advisor. It is impossible to get to know you and your financial circumstances personally to verify that you are taking advantage of all available deductions and credits. It also can't provide you with the assurance that your taxes were accurately filed. A tax consultant can provide all of this and more.