



TruePrep



SmartVault

Using AI and Automation To

Cut Tax Prep Time In Half

Agenda

1. Understanding Today's Tech + AI Landscape
2. Making AI Work for Your Firm: 4 Key Tips
3. Real-World Implementation: MSB Accounting
4. Live Demo
5. Q&A

This session is recorded – we'll send it out to you this week.



Today's Speakers



DANIEL FRITZ

VP, Product



SmartVault



DAVE HAASE

CPA and Founder



TruePrep.ai



SERGIO BUSTAMANTE

Managing Partner





Understanding Today's Tech + AI Landscape



AI is here - but it's not perfect

Challenges include tax calculations, making judgment calls, and staying current with tax law.

100 ChatGPT Prompts for Accountants Bookkeepers

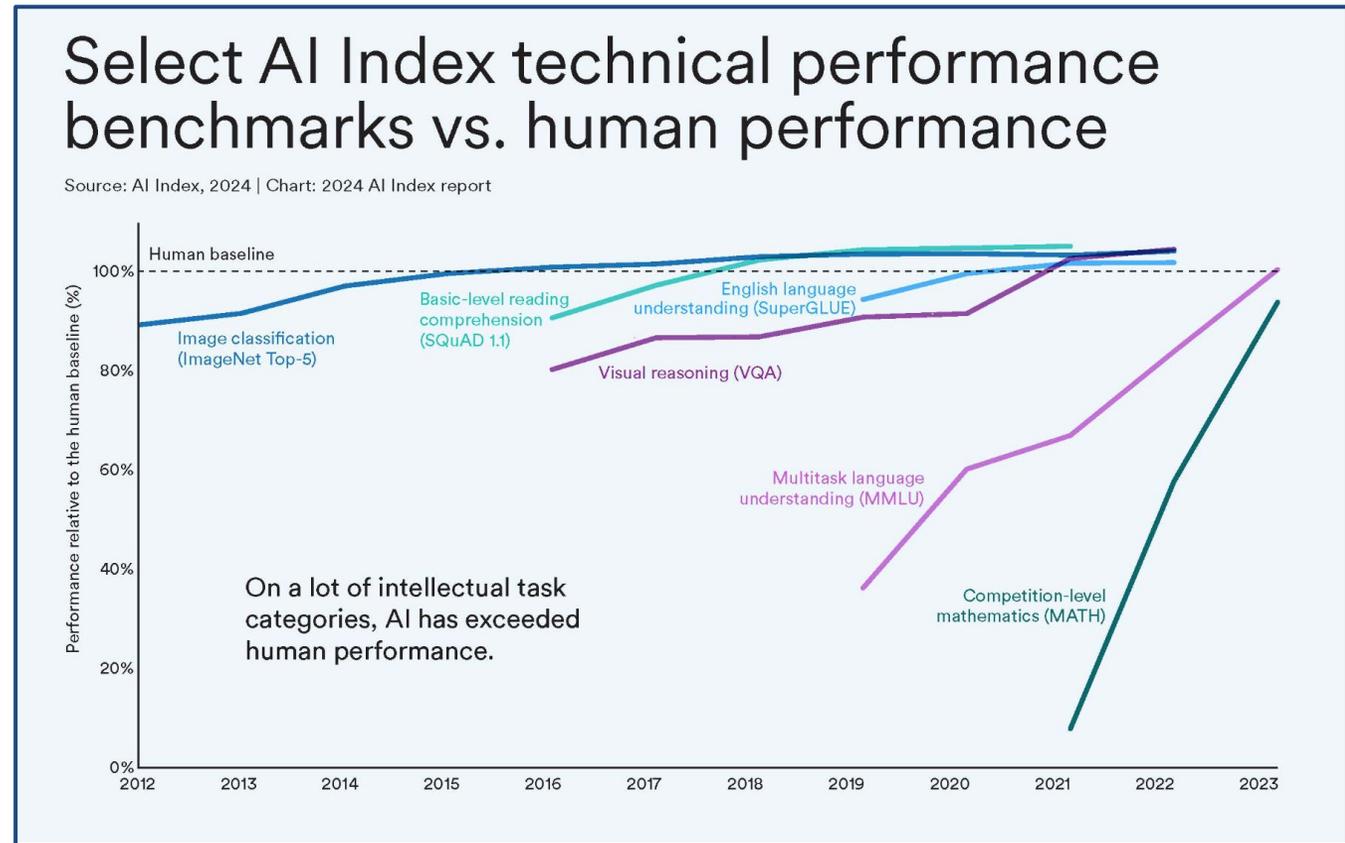
What is the biggest Benefit of AI For Tax Firms?

58% of tax firms consider that time saved by using ChatGPT resulted in an ability to focus on work with more value.

Yes 58% | No 25% | Not Sure 17%

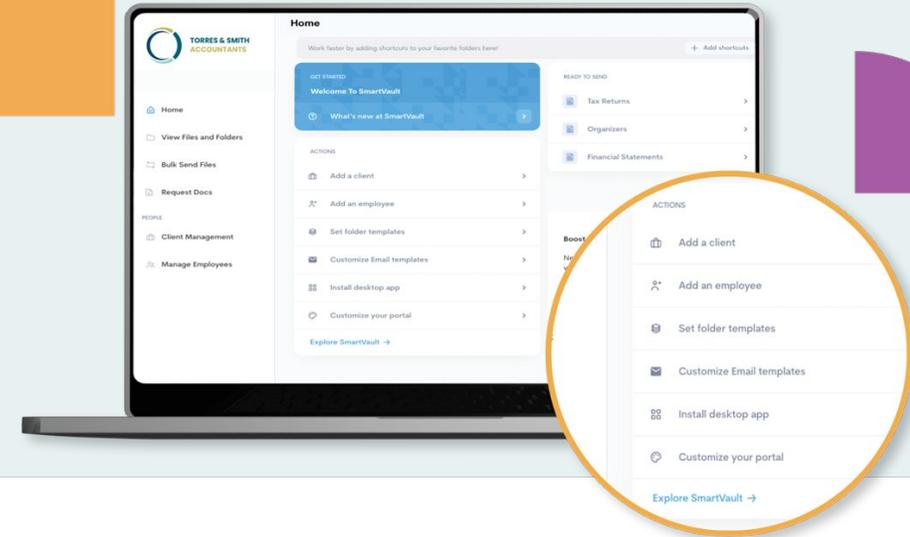
Which generative AI model did best on the CPA exam?

By Chris Gaetano | April 25, 2024, 12:06 p.m. EDT | 5 Min Read



Make it easy for you, your staff, and clients to securely work online

SmartVault Document Management System and Client Portal



Online Document Storage

Standardize and centralize your business documents with smart online document storage.



Secure File Sharing

Make sharing files in the cloud easy and convenient, without compromising on security or compliance.



Branded Client Portal

Give your clients a secure, easy, and professional way to collaborate with you on documents in the cloud.



Making AI Work for Your Firm: 4 Key Tips



Tip #1: Establish a data hub for your tools

Create a foundation for efficient automation

The Modern Accounting Tech Stack



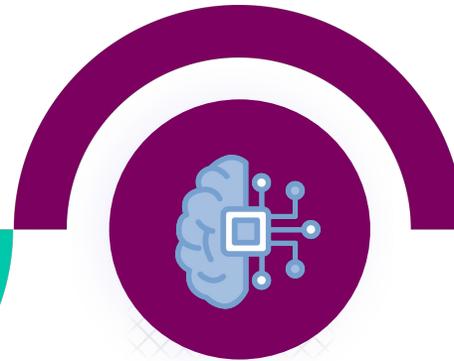
Tip #2: Make sure your data hub is secure

Protect your firm with smart security practices

Compliance



AI Model Use



Encryption



Handling of PII



Access Controls



Tip #3: Automate boring admin tasks

Free up your valuable time instead of spending it on source doc checklists and formatting emails

Would you like to connect to other third-party storage partners?

 SmartVault ✓ Connected

 Box Connect

Source Document Checklist

Your client's previous tax return data has been processed to surface missing documents.

- 1098 (Mortgage Income Statement) 
- K1 
- W2 (Wage and Tax Statement) 

[View All](#) →

 [Download Workpaper](#)

 [Download Source Documents](#)



Tip #4: Use AI to initiate advisory services

Turn routine analysis into strategic insights that save clients on taxes (and make you money)

Below are several tax-planning strategies Daisy Duck might consider to help lower her federal tax liability. All recommendations are based on the information provided in her 2024 projected 1040 data and her current income sources (W-2 wages, partnership/S corporation pass-through income, and rental properties). If any assumptions about her filing status or other details are incorrect, please let me know so we can re-run the projections.

1. Maximize Retirement Contributions

- **Employer-Sponsored Plans:** If Daisy has an S corporation or is eligible for a 401(k), maximizing employee deferrals and contributions can help reduce taxable income.
- **IRA Contributions:** If she has earned income and meets eligibility rules, contributing to a traditional IRA can further lower adjusted taxable income.

2. Adjust S Corporation Wages for QBI Optimization

- **Qualified Business Income (QBI) Deduction:** Daisy's projected return shows a QBI deduction. Ensuring she pays herself a "reasonable" salary for her services can make more pass-through income eligible for the QBI deduction while still meeting IRS requirements for officer compensation.

3. Leverage Rental Real Estate Strategies

- **Accelerated Depreciation:** With multiple rental properties (shown on Schedule E), Daisy could explore cost-segregation studies to accelerate depreciation deductions and may reduce net rental income for tax purposes.
- **Real Estate Professional Status:** If Daisy materially participates in her rental activities and meets the hourly requirements under IRC §469, she could offset more rental losses against non-passive income, thus potentially lowering overall taxable income.

Overall Status

Advisory Opportunities

- ❖ The client should consider reviewing their business income and additional income entries, as there are significant negative values reported. This could indicate potential losses that might be carried forward or utilized for tax benefits.
- ❖ The client has a significant amount of interest income and qualified dividends. They should explore tax-advantaged accounts or investments to potentially reduce taxable income.

Deductions

- ❖ The client should ensure they are maximizing their deductions, as the standard or itemized deductions field is currently reported as zero. This could be an oversight or an area for optimization.

Income & Credits

- ❖ The client has a significant amount of federal income tax withheld. They should review their withholding to ensure it aligns with their actual tax liability, potentially improving cash flow throughout the year.





MSB Accounting Used Automation To Drive Profitability



Challenge

MSB Accounting acquired two other tax firms and needed to improve their manual processes to become more profitable.

Solution

1. Improve client onboarding using Cognito Forms + Zapier
2. Auto-route source documents to SmartVault
3. Sync into TruePrep for analysis, review, and research
4. Provide automated 1040 tax review for new clients

Results

- Smooth new client onboarding experience
- Attracting new clients and developing a new revenue stream
- Team can focus on higher-value tasks like tax planning and advisory





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Thank You!