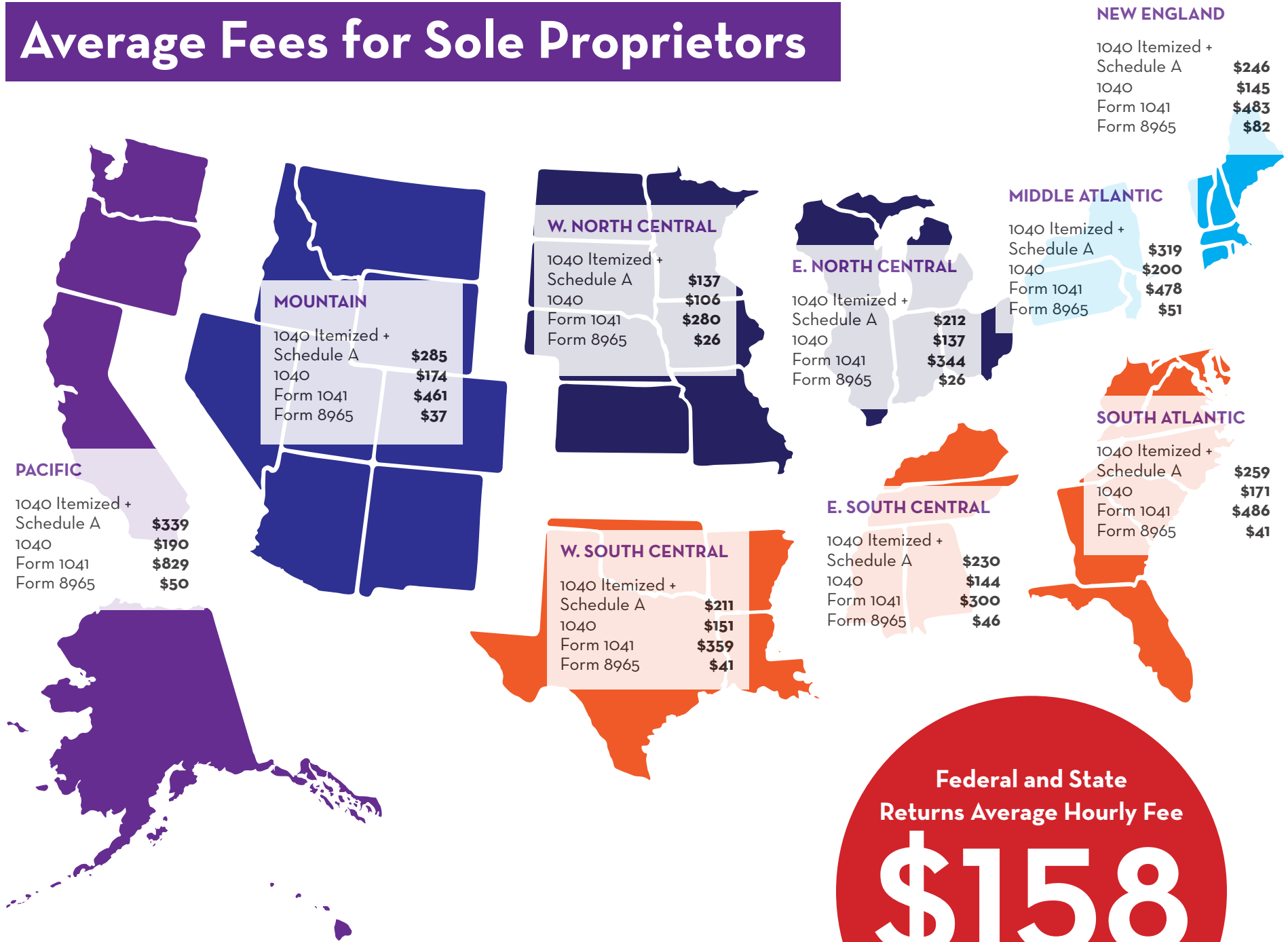


# 2018-2019 Income and Fees Survey

## NATIONAL AVERAGES

### Average Fees for Sole Proprietors



Federal and State Returns Average Hourly Fee

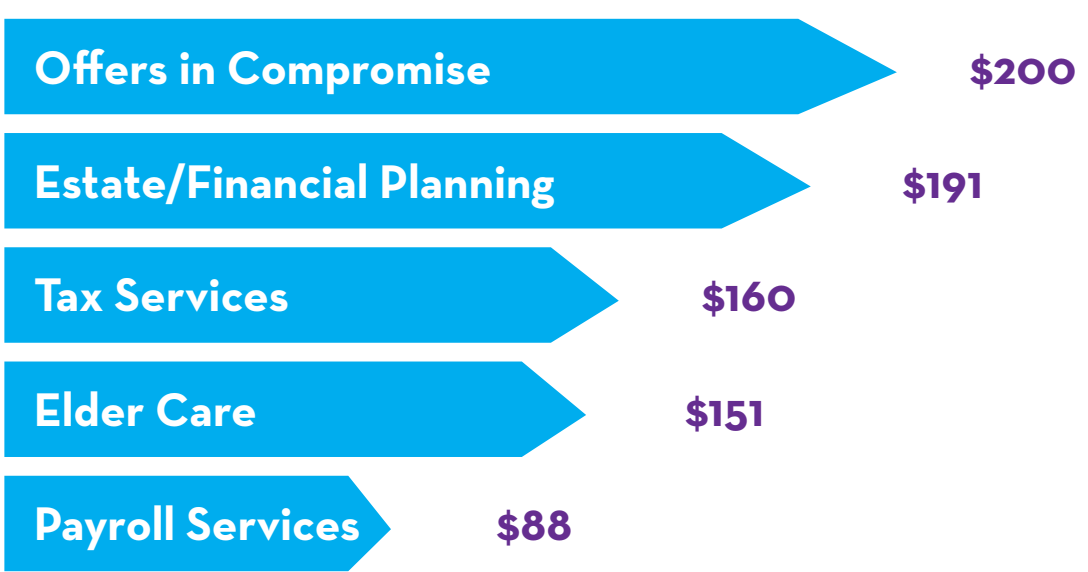
# \$158

(Up from \$150 in 2016-2017)

### Forms - Average Filing Charges

<b>Form 706</b> (Estates)	<b>\$1,784</b>
<b>Form 709</b> (Gift Tax)	<b>\$389</b>
<b>Form 940</b> (Federal Unemployment)	<b>\$65</b>
<b>Form 990</b> (Exempt Organization)	<b>\$683</b>
<b>Form 1040</b> (Itemized-Schedule A & State Return)	<b>\$294</b>
<b>Form 1040</b> (Not Itemized & State return)	<b>\$188</b>
<b>Schedule C</b> (Business)	<b>\$187</b>
<b>Schedule F</b>	<b>\$175</b>
<b>Schedule E</b>	<b>\$136</b>
<b>Schedule D</b>	<b>\$109</b>
<b>Schedule EIC</b>	<b>\$62</b>
<b>Schedule SE</b>	<b>\$40</b>
<b>ACA FORMS</b>	
<b>Form 8962</b> Shared Responsibility Payment Calculation	<b>\$57</b>
<b>Form 1095A</b>	<b>\$52</b>
<b>Form 8965</b>	<b>\$49</b>

### Additional Hourly Fees

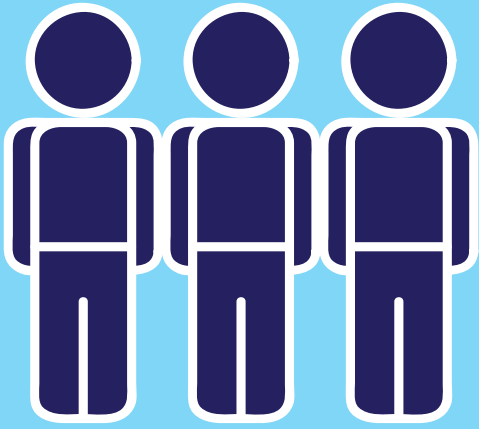


Source: National Society of Accountants Income and Fees of Accountants and Tax Preparers in Public Practice Study

www.nsacct.org  
800-966-6679  
members@nsacct.org

# 2018-2019 Income and Fees Survey

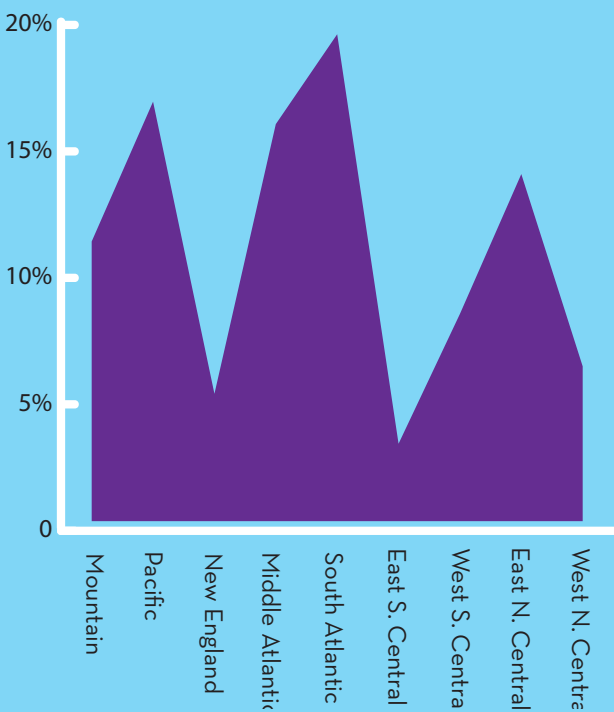
## NATIONAL PRACTICE AVERAGES



### DEMOGRAPHICS

- 63-year-old male
- has been in practice for 29 years
- an Enrolled Agent (47%)
- practices in a large or moderate city/suburb (33%) mainly in the South Atlantic region (20%)
- belongs to 3 tax and accounting organizations
- uses live seminars most often for continuing professional education (63%)
- uses IRS as a source for tax research (66%)
- has not made any succession plans for their business, mostly because of not planning on retiring anytime soon (57%)
- would sell the business to an outside firm/individual (40%), if has made succession plans

### LOCATION

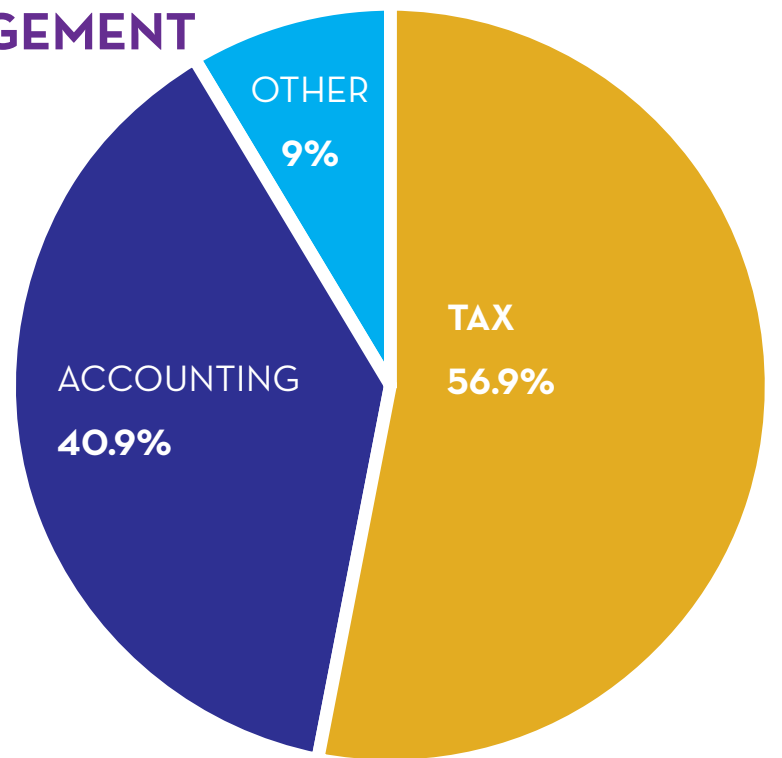


### THE PRACTICE

- operates as a sole proprietorship (32%)
- has 3.2 full-time employees
- has 1.8 part-time employees
- has 2.3 seasonal employees
- has 1.4 full-time principals/partners
- had an annual gross practice income in 2017 of \$302,267
- had a net income of \$100,290 in 2017
- in 2017, 37% of firm's total income was billed by form
- writes-off 3% of firm's gross billings each year
- derives 54% of gross income from the preparation of federal/state tax returns
- allocates 38% of its operating expenses to salaries/benefits (other than retirement)
- relies most often on referrals from existing clients (69%) for promotion of the firm, and finds referrals from existing clients very useful (84%)
- uses Facebook (24%) or LinkedIn (20%) social networks for marketing and promoting practice



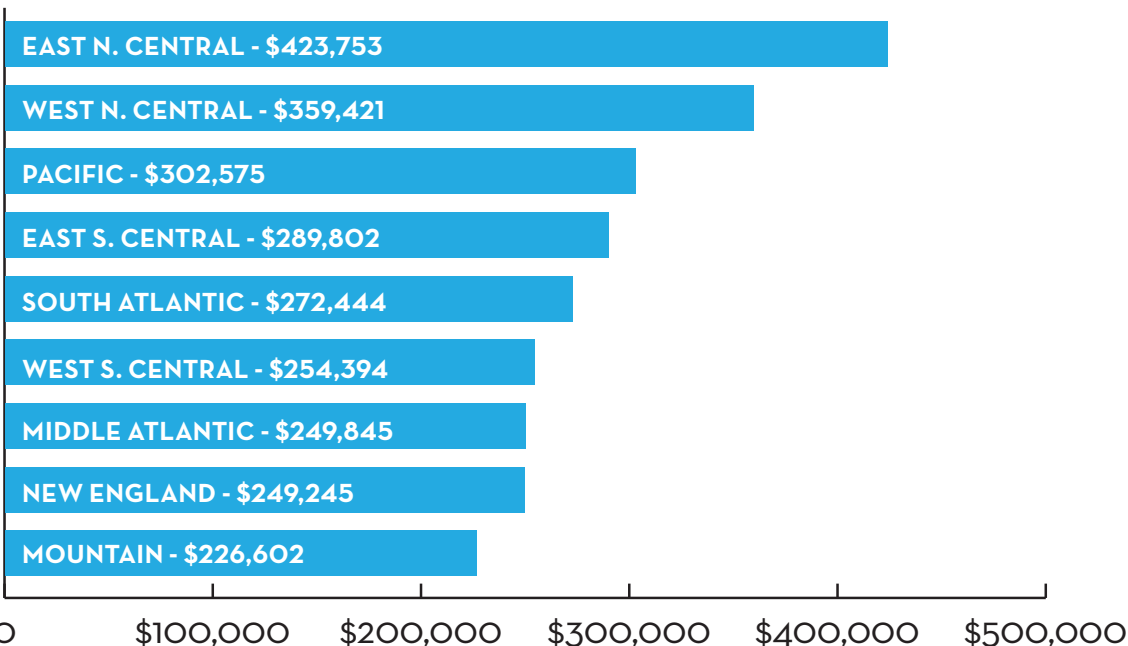
### SERVICES ENGAGEMENT LETTERS USED



### THE PRACTICE - ADDITIONAL FEES

- charges a fee to prepare W-2s (78%) for an average fee of \$65.03
- charges a fee to prepare 1099s (89%) for an average fee of \$64.50
- charges clients a fee if they bring in disorganized/incomplete files (72%); average fee is \$132.88
- charges clients a fee for IRS letter/audit responses when firm didn't prepare their return (58%); if always charge a fee, the average fee for an IRS letter/audit response is \$136.98
- charges a fee for an in-person IRS audit that does not appear to be due to negligence on the part of the practice (83%); average hourly fee is \$159.91 to represent, and average retainer fee to represent is \$774
- has seen the number of tax audits stay the same over the past year (62%)
- charges a retainer for IRS audits (28%), average amount is \$813
- offers a free initial consultation with prospective clients (89%)
- does not offer senior citizen discounts (66%)

### AVERAGE GROSS INCOME FOR 2017 BY CENSUS DISTRICT



Source: National Society of Accountants  
Income and Fees of Accountants and Tax  
Preparers in Public Practice Study

www.nsacct.org  
800-966-6679  
members@nsacct.org