



INTUIT Accountants

Taxpayer Insights &
Intelligence Brief 2022



Overview

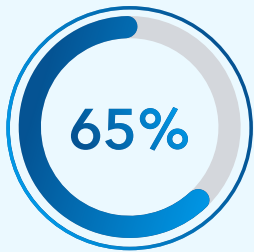
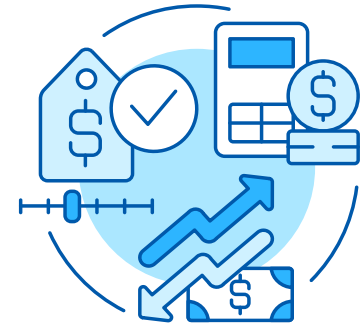
In a recent study, Intuit surveyed over 3,000 taxpayers who use a Tax Pro to file their taxes. US participants were comprised of a wide range of demographics including: age, location, income, gender and more. The goal was to provide a 360° view of a taxpayer's experience when working with a Tax Pro and gain insights into their expectations of services they would like offered.

The topics covered in this document include financial advisory services, audit protection and resolution, as well as data storage, transfer, and security.

This information is a rare opportunity for you to identify where opportunities may exist to augment your firm's business model, update technology, and grow your client base based on new product offerings.

Tax Advisory

1 Which age group desires more financial and tax advice from their Tax Pro?



MOST POPULAR

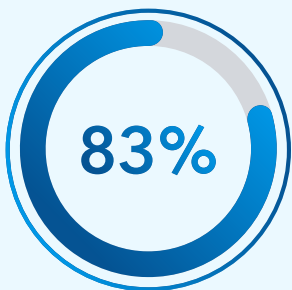
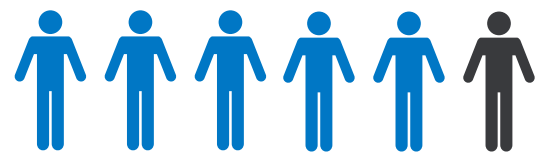
35-54
year olds

They are **25% more likely** to want advice compared to those who are 65+

2 How many taxpayers want to work with Tax Pros who offer tax advice and strategies?

5 out of 6 taxpayers expect their Tax Pro to deliver tax strategies that result in improved financial outcomes.*

(e.g., reducing tax liability, money savings, etc.)



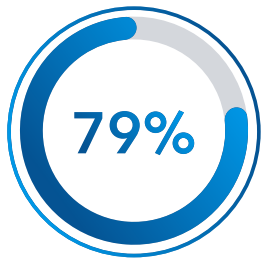
Given the choice, 83% of taxpayers would rather work with a Tax Pro who can **give tax advice year round**, in addition to filing their tax return.

*Among taxpayers who had their individual and business tax returns prepared or filed by a Tax Pro.

3 Taxpayers are clear they both *want* and *expect* financial advice from their Tax Pro.

80% **EXPECT** both financial and tax advice from their Tax Pro

69% **WANT more** financial and tax advice from them



As a result:

79% are **willing to pay more** for a Tax Pro's service if it might result in improved financial outcomes.*

(e.g., reducing tax liability, money savings, etc.)



4 How do taxpayers want to receive their tax strategies?

77%

of taxpayers expect to see their tax-saving strategies in an **easily digestible format** that shows the options and potential savings.*

68%

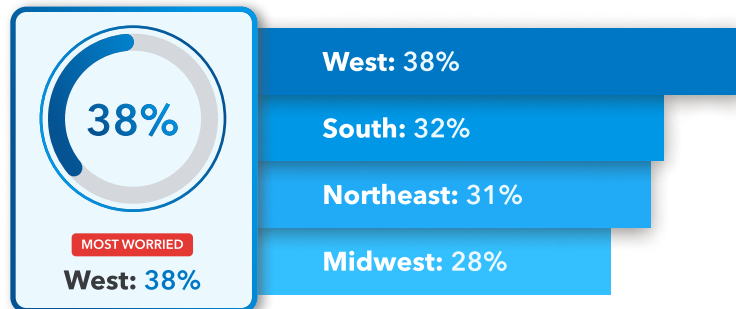
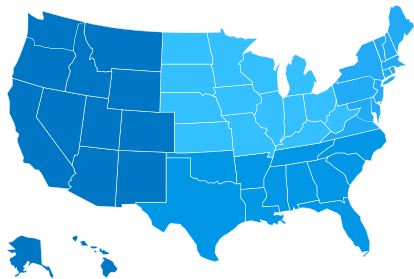
50%

75%

*Among taxpayers who had their individual and business tax returns prepared or filed by a Tax Pro.

Tax Audit

5 In which area of the country are taxpayers *more likely* to worry about the risk of a tax audit?*



6 Which taxpayer income level is *more likely* to worry about the risk of a tax audit?

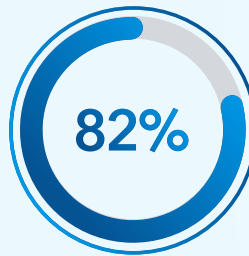


* U.S. Census Bureau 2020. Retrieved from <https://data.census.gov/cedsci/>.

7 How do taxpayers feel about being audited?

84%

84% of taxpayers want to have **peace of mind** knowing that they will have help in the event of an IRS audit.*



82% of taxpayers **expect** to have help navigating the IRS if they get audited.*

7 out of 9 clients would choose a Tax Pro who **offers audit protection** over one who doesn't.*



*Among taxpayers who had their individual and business tax returns prepared or filed by a Tax Pro.



How Taxpayers want to work with Tax Pros

The way the world goes to work has moved even further into the digital space over the last few years. Clients now expect Tax Pros to manage their correspondence and relationships securely online. This shift has led to wide-spread confidence in—and the proliferation of—highly secure digital products and services that help Tax Pros manage client data, resulting in successful financial outcomes. It also enables firms like yours to hire and retain the best talent remotely. It's a whole new world where taxpayers have the ability to work with their Tax Pro from anywhere, any time on any connected device.

Remote Work

8 How many taxpayers want to correspond with their Tax Pro remotely?

52%

52% of taxpayers prefer the option of **having all correspondence with their Tax Pro to be digital.**

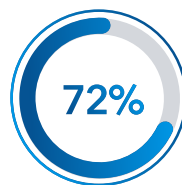


Electronic Signatures

9 How do taxpayers feel about signing their tax documents electronically?



66% of taxpayers **expect** to sign tax documents electronically.*



72% of taxpayers report **saving time** by signing their tax documents electronically versus doing it in-person with mailed signatures.*

*Among taxpayers who had their individual and business tax returns prepared or filed by a Tax Pro.



Electronic Signatures

55% of taxpayers ages 55-64 are **just as likely** to expect to sign documents electronically as 56% of those ages 25-34.

Men prefer the ease of signing documents through their mobile device **23% more** than women.



10 How important is compliance with regard to digital signatures?

57%

57% of taxpayers would be concerned if their Tax Pro used a digital signature method that wasn't IRS-compliant.



Document Management

11 Here's how taxpayers feel about document management:



72%

72% of taxpayers **like having a list of the documents** they still need to submit.



74%

74% of taxpayers **want to have automatic reminders** from their Tax Pro on documents/next steps needed.

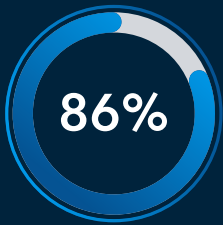


73%

73% of taxpayers **would be delighted to receive automatic reminders** from their Tax Pro on documents/next steps needed.

Data Security

12 How do taxpayers feel about the security of their data?



MORE THAN 8 OUT OF 10

86% of taxpayers expect their Tax Pro to store their tax documents/information with industry-standard security.*
(e.g., an encrypted server with an enterprise firewall).



74% of taxpayers **expect** to send their sensitive data to a Tax Pro in a secure transfer.*

73%

73% of taxpayers want a **secure place** where they can upload documentation to their tax professional throughout the year.*



*Among taxpayers who had their individual and business tax returns prepared or filed by a Tax Pro.

Tax Refunds

13 How many taxpayers want a way to get their refund faster?



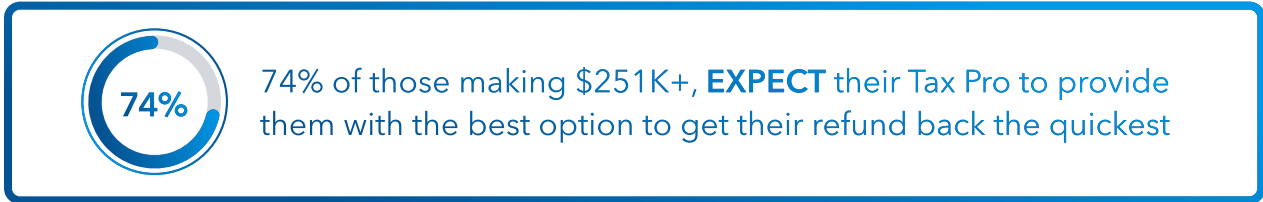
14 Which taxpayer income level wants to have their Tax Pro's fees deducted from their refund vs. having to pay 'out of pocket' upfront?

61%

61% of taxpayers making **over \$251,000 annually** prefer having their Tax Pro's fees deducted from their refund vs. having to pay 'out of pocket' upfront.



They are 30% **more likely** to feel this way over those that make under \$100,000 annually.



*Among taxpayers who had their individual and business tax returns prepared or filed by a Tax Pro.



Taxpayer Demographics

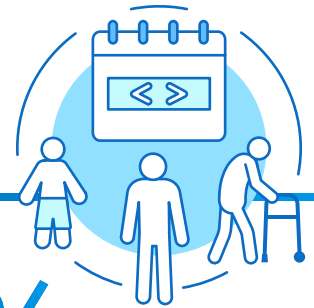
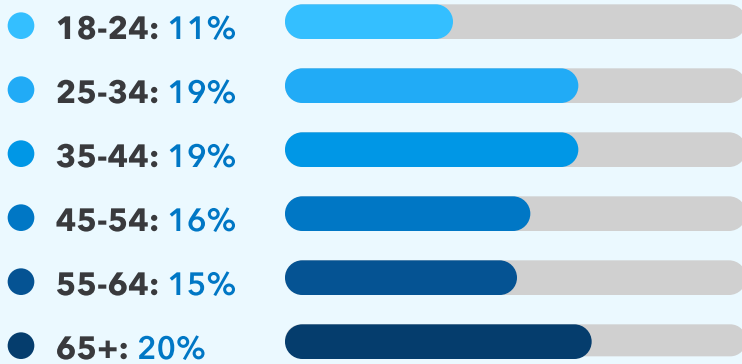
The use of a Tax Pro is the common thread among our 3,000 participants.

Otherwise, those surveyed spanned all age groups, genders, races, and locations across the United States.



15 What is the age breakdown of taxpayers who use a Tax Pro?

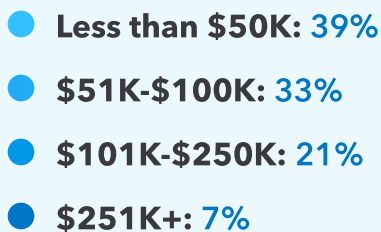
Age



79%
of taxpayers who use a tax pro are **under 65 years of age.**

16 Which income levels are most likely to use a Tax Pro?

Income



60%
of taxpayers who use a Tax Pro **make more than \$50K.**



Opportunities for Pros



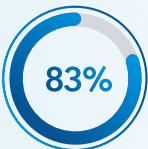
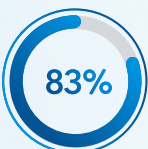
Taxpayers have high expectations for their Tax Pros. As you can see from the data below, out of all the Tax Pros currently operating, approximately 50%—or less—offer products to meet those expectations. This gap represents a huge upside opportunity for Tax Pros to add Intuit workflow tools to their mix to help meet those client expectations.

*Legal: Based on blind survey of taxpayers who used a tax professional in the 12 months prior to June 2022.

**Legal: US Accountant Market Study, Radius Research, 2021-2022





Tax Advisory



Taxpayer Insight	Current Usage By Tax Pros	Opportunity
 <p>79% of clients willing to pay pros more if it results in better outcomes.*</p>	<p>17% of client revenue is from advisory.</p>	<p>83%</p>
 <p>69% of clients want more advice from their Tax Pro.*</p>	<p>37% of Tax Pros provide personalized long and short term tax strategies.</p>	<p>63%</p>
 <p>83% of clients expect their Tax Pros to use the best tools to provide advice.*</p>	<p>39% of Tax Pros use Financial advisory software/tools.</p>	<p>61%</p>
 <p>83% of clients want a Tax Pro who also advises (not just does returns).*</p>	<p>57% of Tax Pros who don't provide advisory today, plan to.</p>	<p>43%</p>

*Among taxpayers who had their individual and business tax returns prepared or filed by a Tax Pro.

Tax Solutions

Taxpayer Insight	Current Usage By Tax Pros	Opportunity
<p>Tax Audit</p>  <p>78% of taxpayers would choose a Tax Pro who offers tax audit protection over one who doesn't.*</p>	<p>36% of Tax Pros use Audit Assist.</p>	<p>64%</p>
<p>Refund</p>  <p>70% of taxpayers expect to work with a Tax Pro who offers the solutions that helps get their refund faster.*</p>	<p>49% of Tax Pros use Refund Transfers.</p>	<p>51%</p>
<p>Document Management</p>  <p>70% of taxpayers prefer the ability to easily upload their tax documents in one location.*</p>	<p>52% of Tax Pros use Online Document Exchange.</p>	<p>48%</p>
<p>Electronic Signature</p>  <p>66% of taxpayers expect to sign tax documents electronically.*</p>	<p>58% of Tax Pros use Electronic Signature.</p>	<p>42%</p>

*Among taxpayers who had their individual and business tax returns prepared or filed by a Tax Pro.



In Summary

Intuit Accountants goal in gathering the taxpayer opinions featured in this document is to provide insights into the average taxpayer's expectations when working with a Tax Pro, like you. Here are our top two takeaways: 1. Clients expect their Tax Pro to advise them toward better, more-positive financial outcomes than they are receiving currently; and 2. Taxpayers expect their Tax Pro to use only the most-modern methods and technology when collaborating with them remotely.

The good news is the average taxpayer in the U.S. already has a high-degree of confidence in their Tax Professional. It also means that there is a huge financial opportunity for the tax profession as a whole to close the gap in their service offerings with Intuit Accountants ProTax Software Solutions.

Learn more about our tax solution products:

eSignature

<https://proconnect.intuit.com/esignature/>

Pay-by-Refund

<https://proconnect.intuit.com/pay-by-refund/>

Protection Plus

<https://proconnect.intuit.com/protection-plus/>

Hosting

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<https://proconnect.intuit.com/tax-client-portal-for-accountants/>

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