



Community Newsletter

PracticePanda

ELEVATE YOUR PRACTICE, SIMPLIFY YOUR LIFE

Tax Pro Insights

Navigating tax code changes - and what you *can* do.

Now that the tax season for most filers is in the rear view mirror, it is time to focus on getting those extensions done. But wait, this **new tax year is bringing tax code change** that will impact virtually every taxpayer. And even with passed legislation, it will take a while to iron out the details.



In the meantime, **there is a lot we do know** -

- The **2025 cost of living figures are set** allowing you to help forecast tax obligations on this information provides a good baseline.
- **Life events do not tend to wait** on events out of Washington.
- Quick **reminders to clients to review their tax situation** is as important and as helpful as it ever has been.

As you navigate the changing tax laws, please know we stand ready to help. Our content will continue to focus on **helping clients identify when they need to reach out** to you.

Our **2025 individual tax highlights video** is current and will stay that way, covering the changes as they occur. **We will continue to summarize the changes and create summaries your clients will understand to help manage the flood of correspondence that comes with major changes like this.**

Post tax season is when staying in touch with your clients can really make a difference, both to their tax life and to your long-term retention goals. Enjoy the summer!

INSIDE THIS MONTH'S NEWSLETTER



Fraud alert for 1099s and W2s



Post season review to help you evaluate and improve client retention



AI versus true connection with your clients



What's new inside the Practice Panda dashboard



Steve Enzler,
President of Practice Panda, WISP Builder, Tangible Values

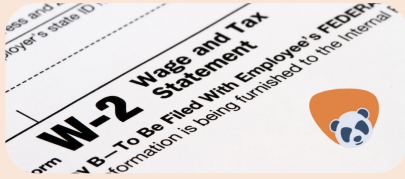


Post Season Review

Evaluating your season to improve client retention.

The lifeblood of every practice is their core client base and understanding how it performed versus prior years reflects the health of your firm. And in the reality of most practices, **marketing efforts need to be primarily defined by how well your retention efforts work.** Here are some suggestions to help **evaluate your season.**

- **Retention analysis.** In its simplest form it is the percent of clients that retained your services from last year. Take the number of paying clients from the end of last year (denominator). Then see how many are still actively being billed year-to-date (numerator). The percentage is your retention.
- **Client value.** Now take total billings and subtract out billings from new clients and any recovered clients. This revised total billing can be divided by # of retained clients to see average billing per client as compared to prior years and your plan. It is typically best to do this on a macro level, but then break out the calculation for different client types (business, planning, individual tax, bookkeeping and others) to help understand what each contributes.
- **Life Time Value (LTV).** If your system has the original start date of each client, you can create an average length of service for your client base. Plus, you can also calculate a total billing value of each client. This is typically called Life Time Value . Create a list of your clients sorted by total LTV. It will help identify your key customers. Compare your client base average longevity. Is it going up? Is it static or going down? In all cases, try to understand why.
- **Macro versus micro analysis.** When you create your measure for the entire practice (Macro) you now have a baseline to then look at different sections of your business. So segment your practice by key measurements that will help you make decisions. It could be looking at different types of work, or as a productivity measure for each professional on staff.
- **Identify recovery targets.** Now take a look at those that are no longer being billed. Sort them by LTV and identify those that you would like to recover. Remember your marketing efforts are divided into three groups: retain, recover, and new. This activity specifically identifies who you wish to get back into your firm. Take the long-term approach here. Keep top of mind and constantly present added-value content to help remind them why they chose your firm in the first place.
- **Cull the herd.** Finally, identify the clients that really should be working with someone else. If you do not have a system of determining who they should be, consider developing its own metrics. Track feedback and length of time spent with each client, then look to eliminate those that don't provide a reasonable return for the work required.



Fraud Activity Still High

We are still seeing fraud activity in the **attempted e-filing of fake W-2s and 1099s** despite the filing deadline of January 31 being long gone!

These fraudsters have legitimate

- Employer Identification Numbers (EINs)
- Social Security Numbers (SSNs)
- Both are often stolen from small businesses and tax professionals.

In their recent warning, the IRS specifically reminds us to **use anti-malware/anti-virus software with**

- **automatic updates**
- **enforcing strong passwords**
- **with multi-factor authentication.**

So continue your vigilance and use the summer to review all your security measures.

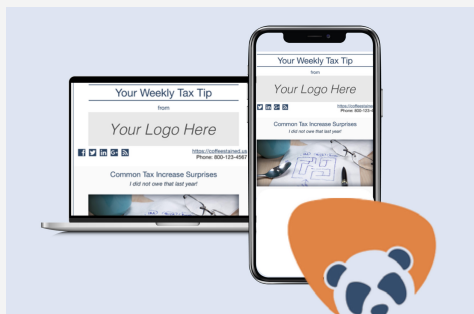
Need to update your security plan?

Check out our [fully IRS compliant WISP Builder tool.](#)



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Service Focus: Weekly Tax Tips



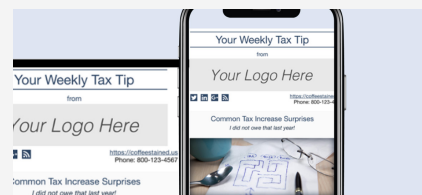
The Weekly Tax Tip service is a great way to stay connected to clients as you shift your activities from tax preparation to tax planning. And staying connected now is more important than ever.

Here is what we hear from our subscribers that love the Weekly Tax Tip service:

- **Time saving.** When laws change, it is a great way to communicate to all clients at once. This is especially useful as the tool automatically posts on your website, social accounts and emails. It reduces redundant conversations with all clients and allows you to focus on communications with those that are directly impacted.
- **Gets clients to identify needs.** This is especially important for tax planning, as tip topics presented now are actively helping clients realize they may need a planning session or two.
- **Automated reminders.** Automatically reminding clients to pay their estimated quarterly tax payments is just one example of how the tool re-enforces your service to your clients all without taking time out of your day.
- **Referral marketing gets a boost.** Well written tax tips get shared. When you brief your clients on a new law change, or a new tip, your clients not only let their friends know, they also let them know it was you who provided the information!
- **Access to prior tips.** With two years of tips available on your website, clients know they have a trusted resource to get information.

Some service tips

Make the most of your Weekly Tax Tips.



- **Consider creating a weekly tax tip distribution list.** If you have not already done so, consider creating a separate list for your Weekly Tax Tip service. Do this by copying your master list and then renaming the list as your Weekly Tax Tip list. This will allow you to continue to refine who you wish to send the weekly tips via email.
- **Review the upcoming tip.** The current week's tip is available to you the day before it is published each week. This allows you to be aware of the topic and be prepared should clients call needing your help. This is especially important as we communicate late breaking news as happened earlier this year with the ever changing BOI reporting requirements.
- **Leverage the tip as a tool.** The weekly tip is not a replacement for your expertise. Our expert writers work hard to find the balance of presenting the information AND helping clients identify ideas that they can use or that will stimulate a consultation with you. This is done to help reinforce your expertise.

Are there topics you'd like to see us cover?

As you use your weekly tax tip service, be sure to keep us informed with how the service is working for you.

Let us know if there are topics you would like to see us cover and provide any ideas you think will improve providing tax tips to your clients.



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A word about AI

The importance of connection as a Tax Professional

We are very aware of the use of AI to write content and how it is changing the way things are being created. The tools are powerful, and in many cases very useful in saving time for people that are not writers.

Here is our position on AI at this time:

- **Your content is professionally written.** We do not use AI to write our content. This is a deliberate choice. We think your clients are the most valuable thing you have and we need to treat this relationship in the same vein. So rest assured the content your clients are seeing is professionally written and reviewed.
- **Using Open AI tools can be dangerous in our profession.** When using open AI tools, the ownership of the content is no longer yours. There are some that say Open AI tools are potentially a Circular 230 violation. And even if you don't agree with that determination, there is still the need to ensure the AI content generated is accurate as much as possible. So for those doing it on their own, it may not be accurate and the review of the output really is not saving much time.
- **The importance of connection.** Use of AI tools can be a great benefit when the outcome does not need to be connected to a human. However, if the output is connected to an expert, then AI will often be problematic. An example of this could be an animated movie. Can you identify who created the background in a scene? Probably not. But what about the voice or the personality drawn into a specific character? That becomes more important. The former is a good candidate for AI, the latter example, no way.



- **The content we create is done to reinforce your expertise with your clients.** You are the professional we are trying to keep connected with each and every one of your clients or prospective clients. Because of this, AI cannot be a good tool for use. Your clients are too important. And quite frankly, AI is easy to spot. Even LinkedIn is developing tools to help identify who is using AI and is downgrading its position within their tool.
- **Will it always be this way?** Probably not. Closed AI tools for tax research are evolving and replacing more traditional research tools. You get answers a lot more quickly than old research tools. And as we learn more about the tools, we will continue to leverage opportunities that make sense. But never at the expense of connecting you (versus some AI tool) to your clients.

**Practice Panda content
is professionally
written and reviewed
without using AI.**



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New!

Practice Panda Dashboard Improvements

When you log into your account at Practice Panda, you will notice some changes in the dashboard.

These **changes are based on subscriber feedback** and are meant to help you get to the task at hand much more quickly.

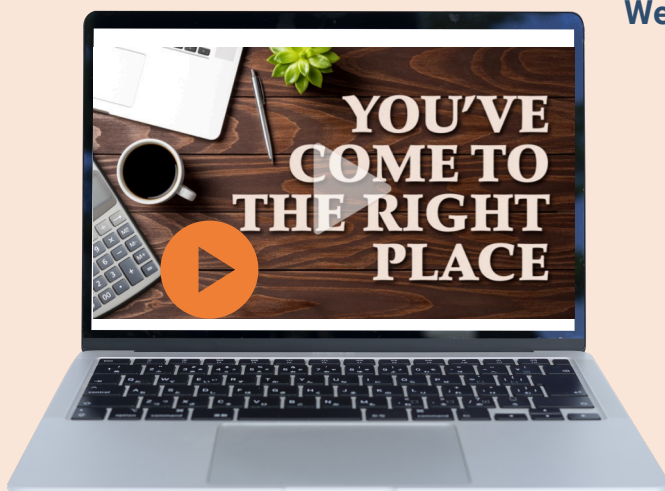
So next time you log take a look and let us know what you think!



Check out what's new!

Our newest video

New Video Released to BOTH TaxVid and FirmVid service



We are pleased to introduce our newest video.

- summary of the **benefits of using your services**
- great **reminder for current clients**
- great tool to **source new clients**

All particularly important given the active campaigns by large corporations trying to peel away your clients. So important that **we made this traditionally FirmVid video available to everyone with a TaxVid subscription.**

[Click to watch it now.](#)



Reach out to us anytime. We are here to help!

- The Practice Panda team