

Module 3 – A career as a Tax Specialist

While most students are aware that accountants frequently assist their clients with tax returns and other tax issues, few are aware of the large number of diverse and challenging careers available in the field of taxation. Nearly all public accounting firms, ranging from the “Big 4” international firms to the sole practitioner, generate a significant portion of their fees through tax compliance, planning and consulting. With over 155 million individual tax returns filed in the US every year, it is not surprising that many individuals and most businesses need assistance in dealing with the incredibly complex US and international tax laws. This complexity also provides tremendous tax planning opportunities. As a tax specialist, you will show individual clients how to reduce their taxes while simultaneously helping them make decisions about investing, buying a house, funding their children’s education, and planning their retirement. For your business clients, careful planning and structuring of business investments and transactions can save millions of dollars in taxes. In fact, it is safe to say that very few significant business transactions take place without the careful guidance of a tax specialist.

A career in taxation is by no means limited to public accounting. Because there are so many types of taxes impacting so many aspects of our lives, tax specialists act as consultants in a large number of fields. For example, many companies offer deferred compensation or stock bonus plans to their executives. Nearly all companies provide some sort of pension or other retirement plan for their employees, as well as health care benefits. Significant tax savings can be generated for both the company and their employees if these benefits are structured correctly. In response to the amazing complexity of our tax laws, many schools offer masters degrees specializing in tax. Such a degree is not required to specialize in tax, but does offer students a significant advantage if they want to pursue a career in taxation. In a recent survey of 1,400 chief financial officers, the top two responses to the question “which one of the following areas of specialization would you recommend to someone just beginning his or her career in accounting?” were personal financial planning and tax accounting. These responses reflect the indisputable fact that as the US demographic includes more wealthy, and older, Americans than ever before, professional tax guidance will be in ever-increasing demand.

The career paths outlined above do not nearly cover all of the many professional options available to tax specialists. For example, are you concerned that a traditional tax accounting job may be too tame for you? Special agents of the IRS routinely participate in criminal investigations and arrests, working closely with other federal law enforcement agencies. Are you interested in law? Accounting offers an ideal undergraduate degree for aspiring business and tax attorneys. If you think you may be interested in a career as a tax specialist, be sure to consult with one of your school’s tax professors about the many job opportunities this field provides.