

# How to survive January

It's the manic month, with an avalanche of tax returns to finalise and submit. We offer some tips to ensure you don't end up working 24/7 to hit the 31 January deadline

**As everyone who works in tax knows, January is the most manic month of the year, particularly for those working in private client and personal tax roles. With Christmas over, tax accountants have a mountain of client tax returns to prepare and submit online to HMRC. The rush to get all those tax returns in on time will, very often, continue right up until midnight on 31 January – which falls on a Monday this year – as practitioners race to prevent their clients being hit with the £100 late filing penalty.**

But it doesn't have to be this way. With careful client management – and time management – accountants need not begin 2011 by working around the clock come the end of the month. First of all, advises Stuart Dey, business development director at Shipleys, practitioners should ensure their clients send the information required to do their tax returns, well in advance.

suggests Matt Coward, private client tax partner at Price Bailey. 'Clients need to be aware that it may cost them more if you have to do their entire tax return from scratch right at the last minute,' he says.

With some clients it's advisable to approach third parties for information rather than the client themselves. 'You may need to approach authorities or independent financial advisers to provide information directly to you,' Dey suggests.

Of course, client management is only one side. Tax accountants should also organise their time efficiently – and make use of the time management tools already at their disposal.

'One tool most practices have is Outlook, which isn't just an email program,' Dey explains. 'It also contains functions for recording tasks and managing your day. It's so easy to get sidetracked and not do what you

The other thing to bear in mind is that, when filing tax returns online this month, hundreds of thousands of other practitioners and individual taxpayers will be doing the same. A few years ago, HMRC's online filing service crashed at the end of January, leaving thousands unable to log on. Since then, online filing has been a relatively smooth procedure. Nonetheless, Coward advises practitioners to avoid the rush wherever possible.

'Online filing has made things much easier and, aside from the hiccup a few years back, it's settled down really well,' he says. 'Even so, it's a good idea for practitioners to avoid filing at peak times. Filing very early in the morning or very late in the evening should ensure few problems.'

While preparing and filing tax returns will be the main activity keeping tax practitioners busy, advising clients of how much tax they have to pay will be the other task accountants need to factor into their schedules. Whether a client will be making payments electronically or by cheque, it is a good idea – and better for client relations – to let them know in plenty of time how much they owe: contacting them at the end of January to tell them how many thousands of pounds they have to pay at very short notice is a scenario that should be avoided.

But with the last day of January falling on a Monday this year, there's an extra reason to get organised. 'January is always a busy month, but with the 29th and 30th falling on a Saturday and Sunday, let's hope you don't have to work the last weekend of the month,' says Dey. 'That should be an extra incentive to get you motivated and organised!'

**'DON'T ISSUE A "COMPLY OR ELSE" THREAT; PERSUADE CLIENTS POLITELY TO HELP YOU OUT. IT'S AN OPPORTUNITY TO GET CLOSER TO CLIENTS'**

'Practitioners need to train their clients to get in the habit of sending in information early,' he says. 'Persuading at least three-quarters of them to have sent you their financial information by the beginning of January is doable.

'But educating your clients must be handled carefully. Don't issue a "comply or else" threat; persuade them politely to help you out. It's an opportunity to get closer to clients and make them work with you.'

Despite this, practitioners should recognise that some taxpayers will never change their behaviour – and financial disincentives for providing information late may be necessary,

thought you were going to do. And at particularly busy periods, you may find, for example, turning off the signal that flashes up whenever you've got a new email is a good idea – you might get more done.'

If your practice doesn't run Outlook, don't worry: most email applications (Lotus Notes, for example) come with calendar and task management functions that can be utilised. Personal tax software also often comes with similar task management features.

And if all else fails – or if it's simply a personal preference – you can always make use of good old-fashioned handwritten to-do lists.

**Santhie Goundar, accountant (with January rush experience) and journalist**

### Week one, Monday 3 January

If you haven't done so already...

- \* Contact clients requesting them to send in the financial information and schedules needed to complete their tax returns this week.
- \* Keep lists of what has been sent, and by whom.
- \* Utilise the task management and time management functions available in your software, such as in Microsoft Outlook.
- \* Aim to file the bulk of your tax returns in the first three weeks.
- \* Try to schedule in spare working capacity for late January to deal with any clients sending you their schedules during the last week. Try to minimise the number of clients who will do so.

### Week two, Monday 10 January

If you haven't done so already...

- \* It will have become apparent that some clients still need to send in extra information or data for their return, so contact them again.
- \* Chase any clients that haven't sent you the schedules you requested.
- \* Consider filing tax returns outside HMRC's peak hours.
- \* Let clients know how much tax they will need to pay – and how to pay – by the end of the month.

### Week three, Monday 17 January

If you haven't done so already...

- \* Advise clients how much tax they have to pay by the end of the month.
- \* Chase, as a matter of urgency, any clients that still haven't sent in the requested information. There should be relatively few of these, as a good proportion of returns will have been filed by this week.

- \* Ensure clients have sent any additional information required to complete their tax returns by this week.

### Week four, Monday 24 January

If you haven't done so already...

- \* Ideally you will have already advised all clients of their 31 January tax payment amount; if you haven't, try to make Monday and Tuesday the very last days you do this. The last thing you want to do is advise them on Friday of a tax payment due on Monday – it's not good for client-adviser relations!
- \* Many tax returns are being completed and filed throughout the land during the course of this week; consider filing either very early in the morning or late in the evening to avoid issues.
- \* You may have to chase and deal with the slower clients. This is where the slack you built into your schedule during week one comes in handy.

### End of month, Monday 31 January

- \* In an ideal world you should be able to relax, but it is likely you will have your last few tax returns to submit. Hopefully, though, your work should be completed by the end of the working day and without you having to resort to filing your final tax returns just before midnight strikes!