

The value of service

A good accountant should pay for themselves many times over, but a bad one can cost a fortune

There's a certain big box store near me where the prices are low but I'm not sure things really are less expensive. Paying a buck for something is great as long as it lasts as long as the \$2 item. But if you have to replace it three times before the \$2 product wears out, the cheap item is going to cost more in the long run.

The same is true for your truck.

The cost of some things, like tires, seem easy to measure. Mileage life divided by the price is a real number. But cheap tires affect other things, like fuel economy. Those secondary impacts can be tougher to quantify.

Now try to calculate something that is all intangibles: accounting and tax prep services.

Knowing whether your tax bill or refund is correct is a potentially endless circular discussion so I won't even go there. But we can talk about the delivery-of-service issues that can add value to your life and business.

For instance, a client just called looking for a copy of the bill of sale for his truck. He's leasing on with a new carrier and needs it for his IRP plate, but he misplaced it. We're diligent about bills of sale and other important documents, so of course we have it and sent it to the carrier within five minutes of his call.

Two things happened here: I answered the phone and had what he was looking for. How much is it worth to have that panic moment resolved?

Whether you need business advice or someone to just prepare returns, a good accountant should pay for themselves many times over, but a bad one can cost a fortune.

Case in point, we recently helped an owner-operator file his 2016 and 2017 tax returns. That doesn't sound like a big deal but the fact that the police were involved says otherwise.

The owner-operator's accountant failed to file his returns on time for five of the last seven tax years. But he stuck by her because she always assured him she would take care of everything and besides, he was getting a good deal.

Letters from Canada Revenue Agency (CRA) were piling up so he started calling other accountants. We reviewed his returns and calculated the total amount of late filing penalties charged to him over the years.

He decided to apply to CRA for taxpayer relief.

CRA's response: "After carefully considering the facts and circumstances of this case, we are denying your request."

CRA documented all the correspondence it had with the owner-operator, including the times he

told CRA that his accountant said she had filed the returns.

"The services of a third party may be used to prepare and submit tax returns," the CRA said. "Although your situation is unfortunate, it is ultimately the taxpayer's responsibility to ensure that returns and payments are received on time."

There's more but you get the idea. CRA even commented that had the owner-operator made regular tax installments there would have been less interest charged. He knew he had to pay his taxes so

why didn't he make installments? At least now he's taking charge of his situation.

The intent of this article is not to promote our company. It's to promote the value that any good truck accounting specialist can deliver versus the next door neighbor or trucking specialist that does not do a good job.

Our fees and those of my reputable competitors are not, in real dollars, much different compared to what some of these bad service providers charge. What you get is



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the value of service and experience – things that don't show up on the invoice.

Give any one of us a call and ask. You may be surprised when we answer the phone or call you back. **TN**