



CPA firms adjusting to remote work and supporting clients with unprecedented issues. (Photo courtesy of Depositphotos)

In taxing times, tax deadline extension is welcome news

By: Bernadette Starzee March 30, 2020

For accountants and their clients, this tax season is shaping up to be like none other.

"I think it's fair to say we are definitely in uncharted territory," said Steven Eliach, principal-in-charge of tax services at Marks Paneth, which has offices in Woodbury.

To the great relief of just about everybody, the Treasury Department and Internal Revenue Service announced last week that they were extending the deadline to file taxes and make tax payments from April 15 to July 15. Most states, including New York, have indicated that they will follow the federal guidelines.

For those taxpayers who make estimated tax payments throughout the year, the deadline for the first-quarter



Steven Eliach: 'Clients want to know sooner than later

payment has also been pushed back from April 15 to July 15. However, there is no news yet on the fate of the second payment deadline, which is normally June 15.

what their tax obligations will be.'

About the same time the tax deadline was pushed back, Gov. Andrew Cuomo ordered that 100 percent of non-exempt businesses in New York State close and have employees work remotely. Some accounting firms had already closed their offices and begun mass telecommuting, which, even for the most technologically advanced firms, requires an adjustment period as professionals get used to new communication routines. And while many clients were well-positioned to switch to remote work, many others weren't.

"It was a huge relief, to say the least, to have the deadline extended," Eliach said.

Marcum, which is based in Manhattan and has large operations in Melville, closed its offices March 16.



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"Luckily our structure was built with an anticipation of such circumstances, and we have always had flexibility in our workforce," said Joe Perry, who works in Melville as tax and business services leader for Marcum. "But now we have everybody around the nation working at home, and even for employees who are used to it, they might now have their spouse working from home and their kids at home."

Further, he added, clients are adjusting to working remotely, and they're worried about their business.

"We are focused on our clients, and information has been changing so quickly. We have had to analyze the information and get it to them as quickly as possible," said Perry, who has had clients send him photos of news posted on their TV screen, asking what it means for them.

"People need continuous information, and we need time to absorb it in a systematic way in order to understand all the consequences," he

added.

Jeff Cohen, tax services leader at Jericho-based Grassi, said he has been doing more business consulting than tax consulting of late, often hopping on client calls accompanied by Jeff Agranoff, Grassi's chief human resources officer and an HR consulting principal.

"Everyone needs HR consulting now," Cohen said.

With regard to taxes, some clients are still paper-oriented, which is especially challenging in the current situation, Eliach said.

"We have a wide range of clients," Eliach said. "The bulk of them are pretty good and well set up for technology, but there are gaps."

Without the opportunity for in-person meetings among staff or with clients, firms have embraced technologies like Zoom videoconferencing to conduct meetings and Microsoft Teams for large-group dialogs, Agranoff said.

"Some clients have struggled a bit with the idea that we can't physically go to their site," Agranoff said. "We are doing a lot of our client meetings over Zoom and Skype. It's as important to see our clients as it is our staff, and it's important to take that extra step to set up a video meeting and have a real connection with them."

The different departments at Grassi have daily meetings on Zoom to talk about issues and work flow. "This way no one feels isolated," Cohen said. And Friday there will be a virtual happy hour to celebrate the end of the week, he added.

In many ways, accountants are still working as if April 15 is tax day.

"Even though returns aren't due until July, clients who will get a refund should get it in early," Eliach said. "And clients want to know sooner than later what their obligations will be – how much they're ultimately going to owe in July."

Perry said Marcum is proceeding as if the deadline hasn't changed.



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"Everybody hates doing their taxes and everyone procrastinates, and by moving the deadline back, it creates more opportunity for people to procrastinate," he said. "But from a refund standpoint, that's not a good idea."

He added, "Most accountants want to get it done and not have an elongated process. At some point, you want it to be pencils down – or rather, no more hitting the keyboard."