ACCOUNTING METHODS REVIEW

Are you using the most tax-efficient accounting methods and leveraging opportunities to enhance your company’s cash flow?

If you haven’t given much thought to your accounting methods lately, you could be missing out on opportunities that could deliver significant cash flow savings or overlooking compliance issues that could pose a real risk.

You’re not alone. Due to the wide range of available methods and internal resource constraints, many companies don’t use the most tax-efficient accounting methods or fail to follow the methods appropriately over time. Others end up with methods that, as their business evolves, no longer make sense.

The right methods can allow you to accelerate or defer income and deductions to enhance your cash flow and minimize your tax exposure. And an accounting methods review can help ensure that you are following correct practices and updating necessary calculations to remain in compliance and control your risk.

Consider these questions:

• Are you a manufacturer or reseller?
• Are you planning on buying or selling a business?
• Do you have inventory?
• Do you have deferred revenue on your financial statements but not for your tax return??
• If you answered yes to any of these questions or have not reviewed your accounting methods in the last five years, an accounting methods review could deliver real benefits.

How RSM helps maximize accounting method value

RSM has the experience and resources to help your company navigate the complexities associated with the timing of income and deductions, cost capitalization and other accounting method issues. Our accounting methods specialists can assist with planning, implementation, ongoing compliance and IRS audit defense.

Our team can assist your company with:

Opportunity and risk reviews
• Determining whether and how your company can take advantage of more favorable, allowable accounting methods and elections
• Evaluating the impact of business decisions on accounting methods and suggesting alternative accounting methods to align with your business strategy
• Identifying new opportunities based on changes in tax law or IRS positions
• Assessing your current methods for compliance with current tax law and reducing exposure by bringing any improper methods into compliance
• Projecting the cash tax impact of implementing any changes

Implementation
• Completing requests for changes in accounting methods (Forms 3115)
• Designing improved processes to help ensure the continued use of optimal accounting methods

The right accounting methods can deliver real benefits for your company. The wrong ones can cost you money. And failing to meet compliance requirements can expose you to real risk.