

Statements on standards for tax services

[Law](#)



Response to Question One if the applicable SSTS number is 4 where members not only determine the standards but also comply with them. The standards are enforced by taxing authorities for the recommendation of the position of the tax return or signing or even the preparation of returns. The tax system of self assessment effectively functions if the tax returns filed by the taxpayers are appropriate. The tax return is entirely dependent on the taxpayer's factual representation. However, Jill violates the SST 5(a) that states that the tax return position should not be recommended unless they have good faith or even belief that the position can be realistically sustained by the administration or even judicially proceedings on the advantages in the event that it is challenged (AICPA 10).

Response to Question 2

The SST section that will apply to Marie's situation is number 5 which stipulates that if the applicable authority lacks written standards in reference to recommendation of the position of a tax return. The signing or recommendation or even the preparing of the tax return is pegged on section (a) which is only recommended when the position taken can either be sustained judicially or even administratively on its advantages when challenged. SST number 7 can also be incorporated. In this number, the member can't recommend prepare or sign tax return position since the member may be exploiting the taxing authority's audit selection process. It may also serve as arguing platform for the purpose of gaining leverage while negotiating with the authority (AICPA 10).

Response to Question 3

Ashley's action of not reviewing the original receipts may pose the danger since there is no absolute certainty that the list provided were authentic. In <https://assignbuster.com/statements-on-standards-for-tax-services/>

the event of advocating for the taxpayer according to SST number 8 may be hampered if the receipts produced are not authentic. Besides SST number 8, number 10 can also be incorporated where the effectiveness of the function of the assessment are either true or complete or even correct. The preparation of the tax return is validated when the facts are represented by the taxpayer though the standard tends to differ among clients (AICPA 11).

Response to Question 4

SST number 6 mandates members with the responsibility of giving advice to the taxpayer on the likely penalty effects such as opportunity and position of the return tax. In the events that the standards are altered, the members still are obliged to inform the tax payers of the happenings. However, Bruce's predicament may be find protection from number of the SST 16 in that the advice is only given if it is relevant in the determination of character, existence, schedule, and other tax return portion. Bruce's attorney should therefore, effectively use this SST number 16 as a defense mechanism for Bruce (AICPA 12).

Response to question 5

SST number 11 and 14 will be applicable. SST number 11 provides that the duty of a member to the tax system. The taxpayer on the other hand, is not obliged to pay more taxes that exceed those legally owed and the member has the duty to assist the taxpayer.

As for SST number 14, the member has the duty of determining if the information disclosed by the taxpayer is appropriate and factual. Moreover, the taxpayer has the responsibility of providing the tax system with authentic information to avoid the likelihood of penalties (AICPA 12).

Work Cited:

AICPA. Statements on Standards for Tax Services. 2009. Print.