

Tax Business Compliance Self Assessment

Find gaps in procedures before they become a defense problem

For each statement, mark Y for supported by evidence, N for a gap, or U for unknown. This is a management screening tool, not a legal opinion, certification or prediction of IRS action. A written policy only helps when your team follows it.

Preparation and due diligence

- ☐ Y / N / U We use current intake questions and confirm material changes each year.
- ☐ Y / N / U Preparers understand the four due diligence requirements and record reasonable follow-up when required.
- ☐ Y / N / U We retain required documents and can retrieve the interview, computations and filing record for a sampled return.
- ☐ Y / N / U Our software selections match the documents and procedures used in each file.

People and oversight

- ☐ Y / N / U We verify preparer credentials and applicable PTIN status and define each person's responsibilities.
- ☐ Y / N / U New staff receive documented training before handling returns independently.
- ☐ Y / N / U Compliance samples completed files, records findings and checks whether corrective action worked.

EFIN and practice access

- ☐ Y / N / U The e-file application accurately identifies the business, locations and required individuals.
- ☐ Y / N / U We control transmission permissions and monitor filing activity for unexplained use.
- ☐ Y / N / U We promptly remove access for departing employees, contractors and business partners.
- ☐ Y / N / U Owners and responsible personnel regularly review personal and business filing and payment compliance.

Immediate escalation: suspected identity theft, false returns, unauthorized EFIN activity, missing records under a legal demand, or contact from IRS-CI should receive prompt attention from appropriate counsel and security personnel.

Need help protecting your tax practice? [Schedule a confidential consultation](#) | (770) 829-0529

Sources [Treasury Regulation 1.6695-2](#); [IRS Publication 3112](#); [IRS Publication 4557](#); [IRS Publication 5708](#); [IRS Section 7216 information center](#). Reviewed October 22, 2026.

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Data protection and records

- ☐ Y / N / U Our Written Information Security Plan reflects actual systems, people and vendors.
- ☐ Y / N / U We use individual accounts, multifactor authentication and appropriate encryption.
- ☐ Y / N / U Backups are tested, access is restricted and the team knows how to report a suspected breach.
- ☐ Y / N / U Our retention policy includes legal holds and secure destruction after all applicable obligations end.
- ☐ Y / N / U Outside access and uses of taxpayer information receive appropriate consent and exception review.

IRS response readiness

- ☐ Y / N / U One person logs notices, verifies deadlines and tracks every response.
- ☐ Y / N / U We retain what was produced and proof of delivery, and preserve original evidence.
- ☐ Y / N / U We have counsel contact information and know when individual interests may require separate advice.

Turn gaps into assigned work

Treat U as a task to verify, not an automatic failure. For each N, identify the evidence missing and the practical change needed. Prioritize legal deadlines and active incidents, then repeated preparation or access problems, then routine policy improvements.

Gap or unknown	Owner	Due date	Evidence of completion

Keep the review purposeful. Do not create a numerical "safe" score. Several completed items cannot cancel an unresolved filing issue, a missed deadline or a serious security problem. Ask counsel how to structure a sensitive internal review.

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