



Course Title

Fraud Prevention & Risk Management for Tax Pros: Systems That Safeguard Your Business and Your Preparers

Course Description

Fraud inside a tax practice rarely starts with a “big scheme.” It begins with small shortcuts, weak internal controls, untrained staff, and unmonitored preparers. But the consequences can be devastating from EFIN loss, preparer penalties, injunctions, frozen refunds, client complaints, bank product termination, criminal investigation, and even worst imprisonment.

This course provides tax professionals, firm owners, and service bureaus with the internal systems, oversight strategies, and risk-prevention tools needed to keep fraud out of their offices. Led by Attorney Josie Harris-Walton, this training uses real criminal tax cases, IRS enforcement trends, and practical compliance frameworks to help tax firms build a fraud-resistant operation.

Participants will learn how to detect suspicious activity early, how to protect their EFIN from misuse, how to implement strong controls for remote and multi-location staff, and how to create a culture of compliance that shields both the firm and its preparers.

This is essential training for any tax business that wants to operate safely, legally, and confidently during tax season and beyond.

Learning Objectives

1. Understand How Fraud Develops in Tax Firms

Participants will learn to:

- Identify early behavioral and operational red flags.
- Recognize how weak controls lead to inflated credits, falsified income, and unauthorized EFIN use.
- Understand how small errors become criminal issues.

2. Implement Strong Internal Controls & Oversight Systems

Attendees will learn how to:

- Design multi-layered approval systems for returns, credits, and identity verification.
- Establish locked-down EFIN, PTIN, and software access controls.
- Build supervisory structures for multi-location or remote preparers.

3. Detect and Prevent Staff and Client-Driven Fraud

Participants will learn to:

- Identify patterns of fraudulent behavior by preparers or clients.
- Use software analytics to spot unusual refund patterns or return anomalies.
- Handle whistleblower tips, client complaints, and suspicious activity reports.

4. Build a Fraud-Resistant Tax Practice

Attendees will understand:

- How to create firm-wide compliance policies and disciplinary procedures.
- How to implement documented due diligence for EITC, CTC, AOTC, HOH, and Schedule C.
- How to train staff on ethical preparation, verification procedures, and compliance rules.

5. Protect Your EFIN, Bank Products, and Reputation

Participants will learn:

- The top actions that put a firm at risk for EFIN expulsion or bank termination.
- How to prevent unauthorized EFIN use and ghost-preparer activity.
- How to create secure document-handling and data-security protocols.

6. Respond to Fraud Incidents Safely & Legally

Attendees will learn:

- What to do if fraud is suspected internally.
- How to document incidents and protect the firm.
- When to call an attorney and what not to say to the IRS or bank.
- Steps to reduce exposure during IRS inquiries, audits, or site visits.



7. Create a Culture of Compliance

Participants will be able to:

- Build a firm-wide compliance and training calendar.
- Hold preparers accountable with metrics, audits, and oversight tools.
- Prevent retaliation when staff report compliance concerns.