

Can You Trust AI for Tax Advice? What Business Owners Need to Know

Nate: So I don't know about you Andy, you ever feel like you get a response from a client regarding their taxes, or even from another advisor that seems to be like somewhat AI generated or really wordsmithy that seems unusual?

Andy: Yes, we have a lot of client experts in the area of tax and accounting,

Nate: That's right. Seems like they, the prevalence of asking some sort of AI engine for support on tax and accounting related issues is definitely, definitely going up. There's probably some really, really good benefits to having access to some of that. And it seems to me like, you know, some percentage of the time it's at least pretty accurate. I don't know. I've given some thought to where to draw that line professionally, of how much I'd say clients can rely on it for quick questions and answers, right? Because complicated stuff, it's just, it's, it's too, it's too much for current AI to really be able to handle. But, you know, there's definitely a line somewhere of what can be relied upon and what can't be.

Andy: Yeah, I totally agree. You know, it used to be we'd get the call and, well, my neighbor said, or my neighbor's tax advisor said, and this is what they're doing. So I think we should do it too, and then we would either have to validate, look into it, or, you know, figure out what was wrong with, with their rationale. But I do it. I bet you do it. You know, when something comes up, that's where we start, right and it's the quick and dirty. It just kind of points us in the right direction. But I think we always, we always qualify it, and we don't take it as verbatim, we don't take it as law. I think we just use it to guide us in the right direction and then dig deeper and ultimately end at an authoritative source.

Nate: That's right, I would say it is as we see it, used in practice. You know, in the public accounting sphere, it seems to be just that. It's a guided, guided through credible sources type search rather than I'll pick one engine, for example, just putting in ChatGPT, some tax related question, well, can I do XYZ? Or what is the income limit on XYZ? And depending upon your subscription level, too, for some of those, some of that information is a little dated. And even if it is correct factually, in terms of the qualifications and things like that, sometimes the limits and the nuances of it are not necessarily

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correct. So I'd encourage folks that if you're not necessarily getting the answers you're looking for or looking for something really quickly, it's worth a shot. But, trust but verify seems to be the best course of action with any kind of tool that that is in that sphere.

Andy: Yeah, be careful. Everybody's an expert these days, especially when there's a new tax bill. You're bombarded with spam, everything, and so know your source, and you know, verify the, the advice or the guidance before you act on it.

Nate: That's perfect: use but verify.

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