

# DIY vs. Paying a Professional

“Should I do my own taxes?” is one of the most common questions I’m asked. The criteria I base my answer on can be used not just for tax preparation, but for most types of financial advice:

- How much do you earn?
- Are you a homeowner? Other significant assets?
- Are you married? Have kids?
- Do you own a business?
- Are you comfortable on the computer?
- Any unique life situations?

For those that have not progressed into the more complicated stages of life, do-it-yourself tax software provides both an opportunity to learn and to save money. If you hate computers, but your financial life isn’t complicated, then going to one of the large reputable tax storefronts is a good enough option. Once your financial life progresses to more complex issues (a business, multiple homes, etc.) it’s probably time to hire a well respected Certified Public Accountant or Enrolled Agent. In fact, they will often be able to teach you how to maximize your deductions and offset at least some of their cost, if not all.

The same is true if you need to buy insurance or financial planning, have a trust or will prepared, invest, buy or sell a home or find a mortgage. With some time and effort, every one of these important pieces of your financial life can become a do-it-yourself task. What you need to think through is the risk vs. benefit. Buying car insurance online can save a lot of money if you’re willing to do some reading about reputable companies, suggested deductibles and coverage limits. The more complicated the product or service you need is, though, the more likely that you’ll be better off hiring a professional. You don’t have to use a Realtor to sell your home, you can do-it-yourself. But it’s likely the most valuable asset you have, so why would you risk making a costly error by not hiring an educated and experienced professional?

