

## Hey! What's New? 2025-21

### Five Ways AI Can Help You Do Your Taxes

In an article on the webpage of *ZDNET*, David Gewirtz writes that “there is no doubt that retail tax preparation services are using some level of AI to reduce their workload, but while tax preparers may well be replaced by a machine, I'm not convinced that will lead to accurate or reliable tax returns – certainly not yet.”

For example, he says, “there may come a time when you'll be able to tell an AI to find all your receipts and transactions, divide them into categories, identify which categories your deductions are in, and then enter them into the appropriate tax forms and bookkeeping systems. But that series of linked activities does not appear to be available now.”

Even with good organization and rigorous bookkeeping, Gewirtz, notes that “the various tools that we need to work together are usually from different vendors. The AIs are just not up to that level of organization across a wide range of documents and activities. That said, there are areas where an AI can help. Here are five of them.”

**1. Use AI Features Available in Tax Prep Software:** Tax programs like [TurboTax](#) and [H&R Block tax software](#) now offer varying degrees of AI assistance for your tax preparation. But, notes Gewirtz, “don't expect your tax preparation software to do all the work for you, but it can help save time and provide some quick assistance.”

Keep in mind, however, he adds, “that generative AI has the tendency to make mistakes, make stuff up and mislead. That's not exactly what you want when preparing taxes. Geoffrey A. Fowler of the Washington Post provides a cautionary tale. He tried both TurboTax and H&R Block's AI features and found them to be ‘awful’.”

To be fair, Gewirtz notes, “I've paid real-world human accountants for tax prep help, and have found some of them to be awful, too. Taxes aren't fun, and you have to double-check everything, whether it's your own work, the work of an AI or the work of someone who claims to be an expert.”

**2. Use AI Features in Expense Tracking Software:** Not all expense tracking services offer AI features, but Fyle, SparkReceipt and QuickBooks do, Gewirtz says. “I am a somewhat involuntary QuickBooks user. The price has gone up considerably over the years, but the switching costs are even higher. So, I stick with QuickBooks. For imported expenses that don't have custom rules, QuickBooks attempts to assign categories using some AI capabilities. Don't count on this feature. Those assignments are almost always incorrect. QuickBooks also constantly pushes its related services, some of which have AI capabilities. But I haven't found anything on offer that seems worth the upsell, so I haven't tapped into those additional AI capabilities.”

Fyle's big claim to fame is what it calls Conversational AI for Expense Tracking. Basically, explains Gewirtz, “all you do is snap a picture of your receipts with your phone and text it to Fyle. Fyle processes it in and categorizes it all automatically, saving a lot of time.”

SparkReceipt also automates receipt scanning and categorization, he notes, along with invoices and bank statements. It will then enter your information, without the need for manual entry.

“The key feature here is the categorization of expenses, which can often take both time and effort to do by hand.”

**3. Use Copilot with Excel:** Microsoft's Copilot has powerful integration with Excel. Gewirtz points out that “no matter what data you're organizing for your tax filing or accounting process, some of it is likely to be run through Excel. Copilot will automate many of the Excel setup tasks that used to take a lot of time and sometimes hard-to-find Excel knowledge.”

**4. Chat with A Chatbot for Tax Advice And Guidance:** You can also use a chatbot such as ChatGPT or Perplexity to get tax guidance and advice. “Just keep in mind you want to ask questions about topics that have been written about in prior years, are stable with unchanging tax rules and for which there is published official guidance.”

Gewirtz stresses that you need “to make sure that you preface any questions you ask with your filing jurisdiction. If you're in the US, say so. If you're in Singapore, tell the AI that. Otherwise, the AI will probably not know which jurisdiction's tax rules are appropriate for you.”

**5. Upload and Scan Documents for Analysis, Summarization And Explanation:** You can feed your favorite chatbot PDFs for it to analyze and explain. For example, I uploaded a copy of the instructions for IRS Form 2553, which is the form used to elect S corporation status. I asked ChatGPT, "Explain this." I then asked it, "What are the most important things I should know?" It scanned the document and provided me with a list of important informational nuggets.

For considerably more – as well as information on where it's not safe to use AI – see [5 ways AI can help you do your taxes - and 10 tax tasks you shouldn't trust it with | ZDNET](#).