UNDERSTANDING THE STRENGTHS & LIMITATIONS OF

AI TAX PREP MODELS VIA THE LENS OF JUNO

INTRODUCTION

Staffing for tax firms is tight, and the Feb–Apr surge isn't getting smaller. In response, a new class of AI tax-prep tools has emerged to push more work through the pipeline without adding headcount. AI tax prep tools help firms by reading source documents, extracting fields, posting into tax software, and flagging exceptions for review.

We held multiple technical demos with leading AI Tax Prep vendors, Filed, Juno, Magnetic, and Soraban. Based on what we saw, Juno currently presents as the most cost-effective option for many firm profiles. On top of that, it carries an exclusive TaxDome integration.

The questions that matter are operational: How fast is it? How accurate is it? Where does it break, and is it worth having for the upcoming tax season?

This report answers those questions.

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STUDY SNAPSHOT

Over the last month, we tested multiple individual returns on Juno end-to-end and documented what we found.

We have also covered a step-by-step walkthrough of the software.

Our aim is practical: help you decide if Juno fits your stack, where to deploy it, and how to implement it safely for measurable capacity gains.

MARKET SNAPSHOT

(AVAILABLE AI TAX PREP SOFTWARE)

- Filed
- Juno
- Magnetic
- Soraban

Across the current set of AI prep models, Juno presents as the most cost-effective option with its transparent pricing model for many firms.

WHY JUNO STANDS OUT (AT A GLANCE):

- **Coverage:** 50+ common forms; strong with W-2/1099/K-1 families
- **Posting:** Direct write to UltraTax, Lacerte, ProConnect, Drake (Access/ProSeries queued)
- **Workflow:** One-click send from TaxDome
- **Economics:** Per-return pricing with a free trial; efficient for high-volume firms

WHAT THIS STUDY COVERS

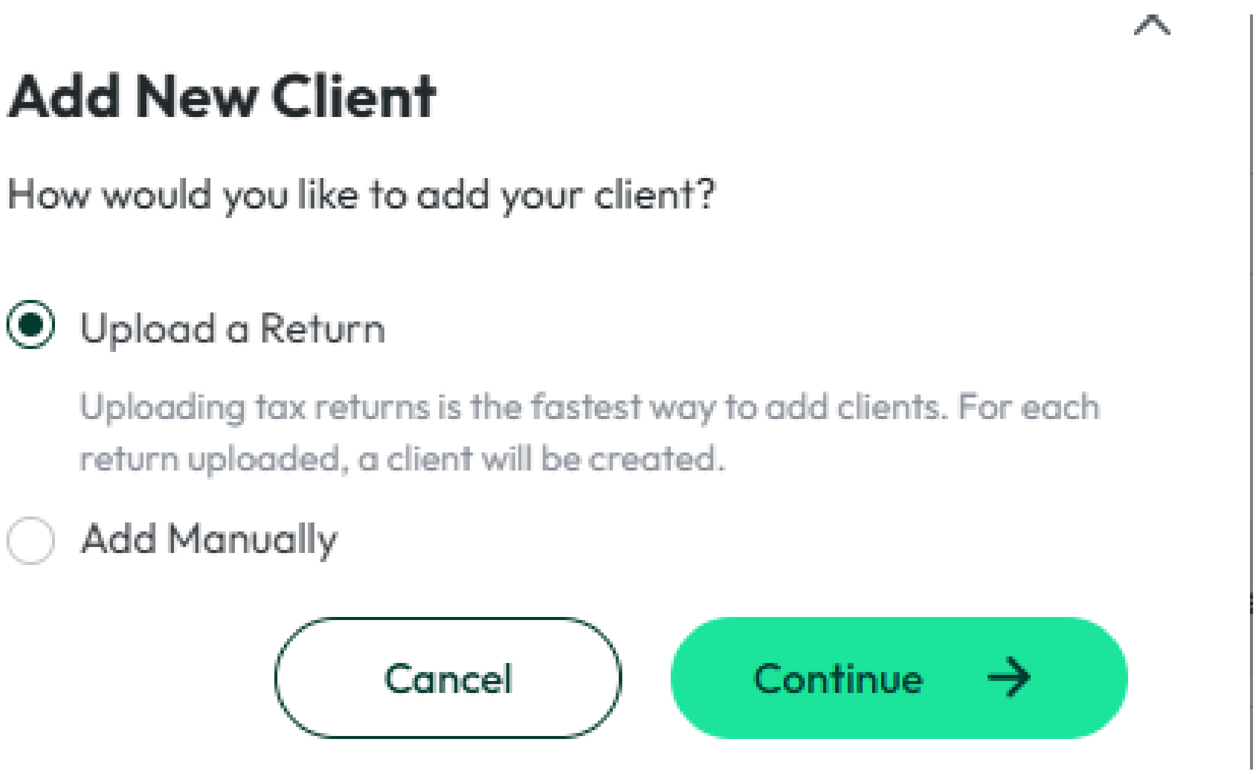
- **Method & sample:** How we structured the return test (mix of W-2, investment-heavy, K-1, and multi-state.).
- **Performance:** Time from "docs received" → "draft ready," reviewer minutes added, and throughput impact.
- **Accuracy:** Field-level match rates by form family.
- **Fit:** Where Juno excels, and where alternatives may be better.
- **Limits & workarounds:** Document quality, edge cases, multi-jurisdiction nuances, change management.
- **Economics:** Per-return cost models, breakeven analysis, and ROI scenarios by firm size.

AN OUTLINE OF THE JUNO TAX PREPARATION STUDY

I. OVERVIEW OF JUNO

WHAT IT IS

Juno is a tax-prep application with role-based sections, including Preparer, Assistant, Advisor, Clients & Documents, Organization, and Settings, built to turn source documents into structured workpapers and a tax prep report.



HOW DO YOU ADD CLIENTS?

- Prior-year import: upload last year's return (seed the profile).
- Manual add: create a client from scratch.
- "Send to Juno" directly from TaxDome. Also integrated with SmartVault.

CLIENT MANAGEMENT (AT A GLANCE)

- View core fields: TIN, phone, city, state, and created date.
- Keep the roster searchable and ready for intake.

DOCUMENT INTAKE

- Prior-year returns (e.g., 2023): PDF only, up to 25 MB in case of bulk uploads.
- Current-year source docs (e.g., 2024): PDF, JPEG/JPG, PNG, CSV, XLS, XLSX, up to 50 MB per file.
- Goal: automate extraction and pre-built tax workpapers from the uploaded set.

OUTPUTS YOU CAN DOWNLOAD

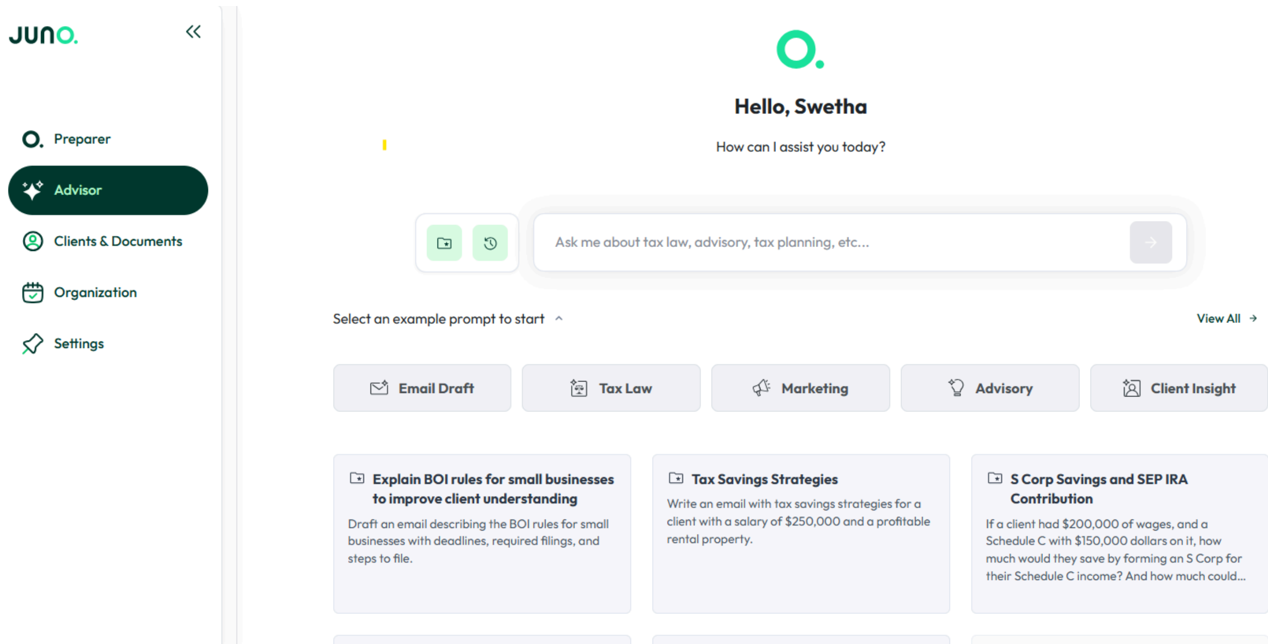
- Workpaper: a consolidated file reflecting the data parsed from all uploaded documents.
- Tax Preparation Report: a structured summary of what was captured to support review and preparation.

II. PROCESS OF USING JUNO FOR TAX PREPARATION

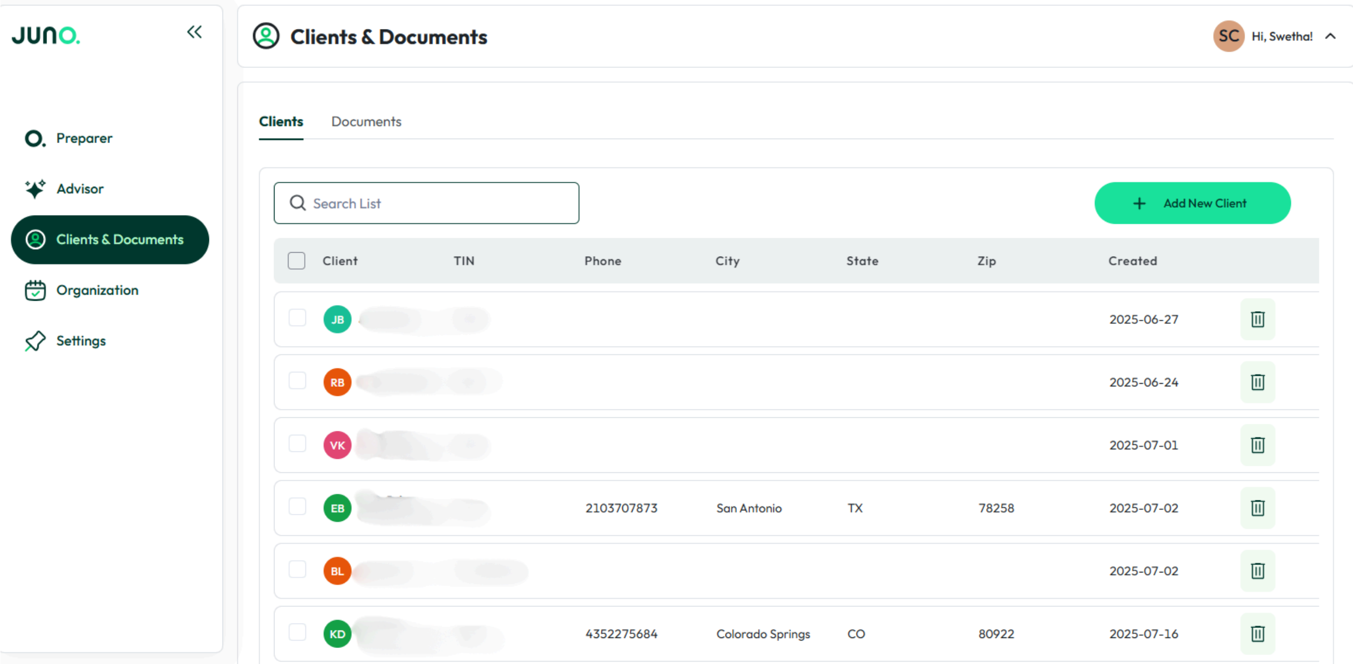
The process involves several key steps for adding clients and preparing tax returns for the current year.

A. CLIENT ONBOARDING AND PRIOR YEAR RETURN UPLOAD:

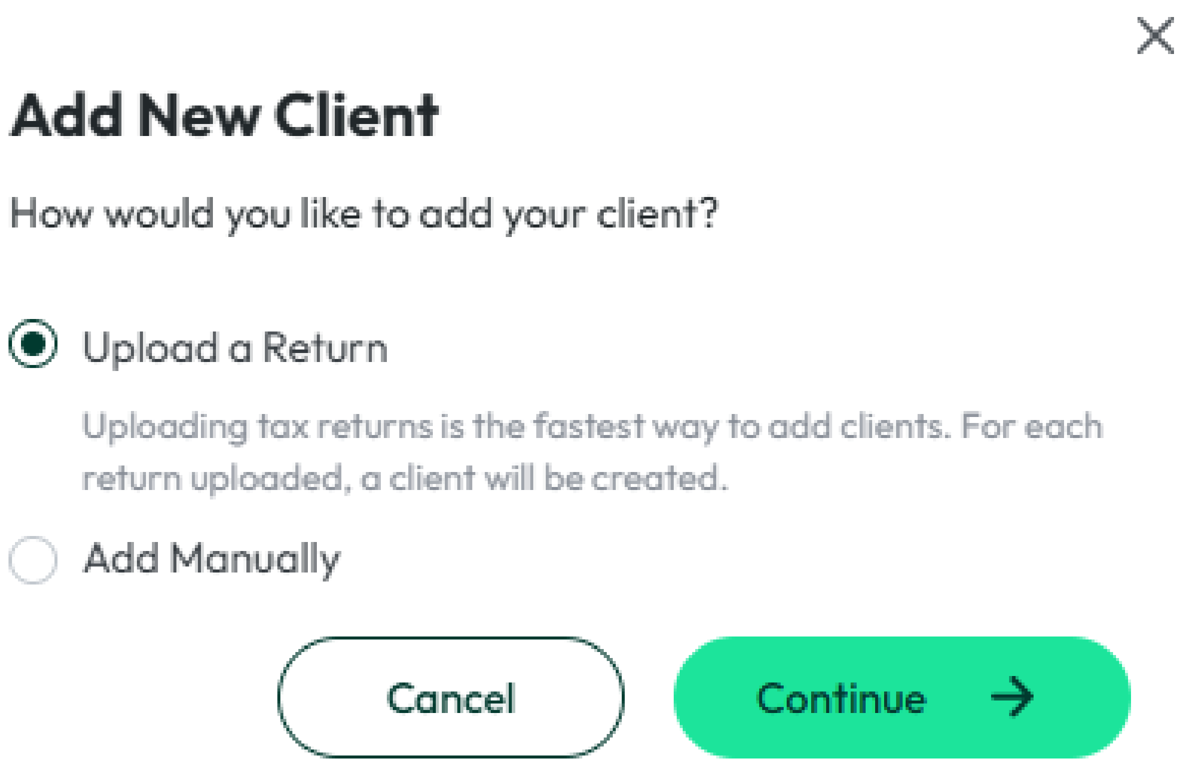
1. Log in **to the Juno application.**



2. **Navigate to the** "Clients & Documents" tab.

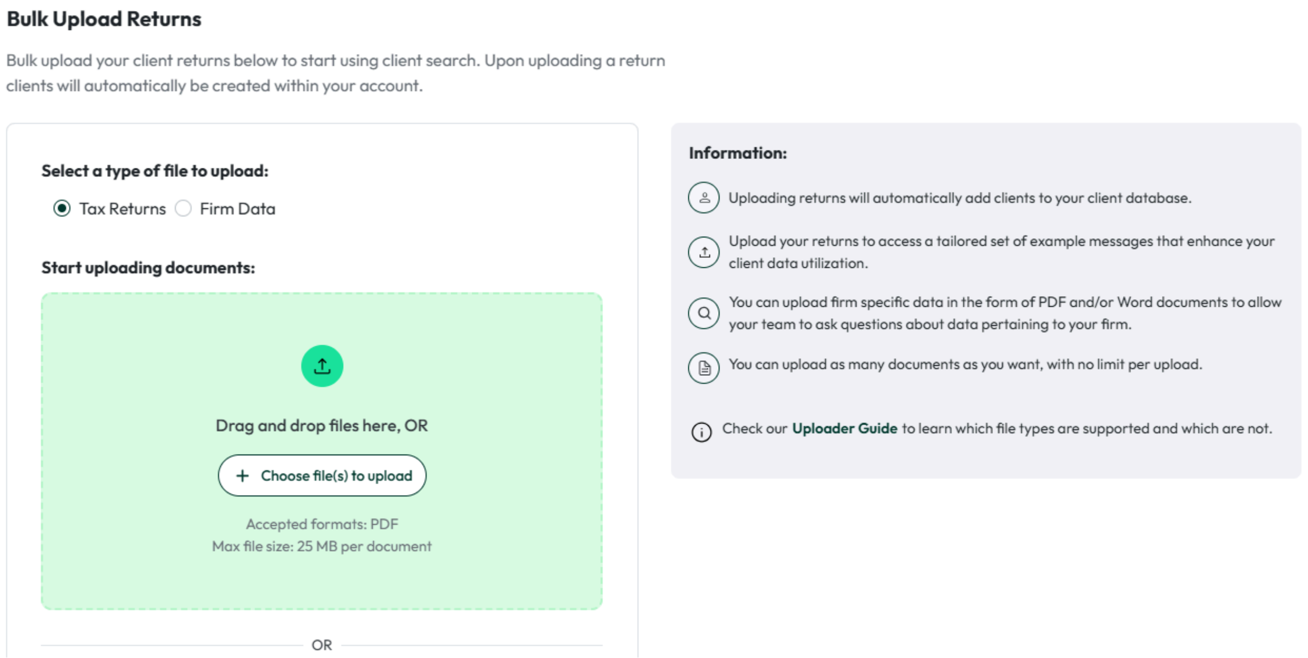


3. **Click** "Add New Client".

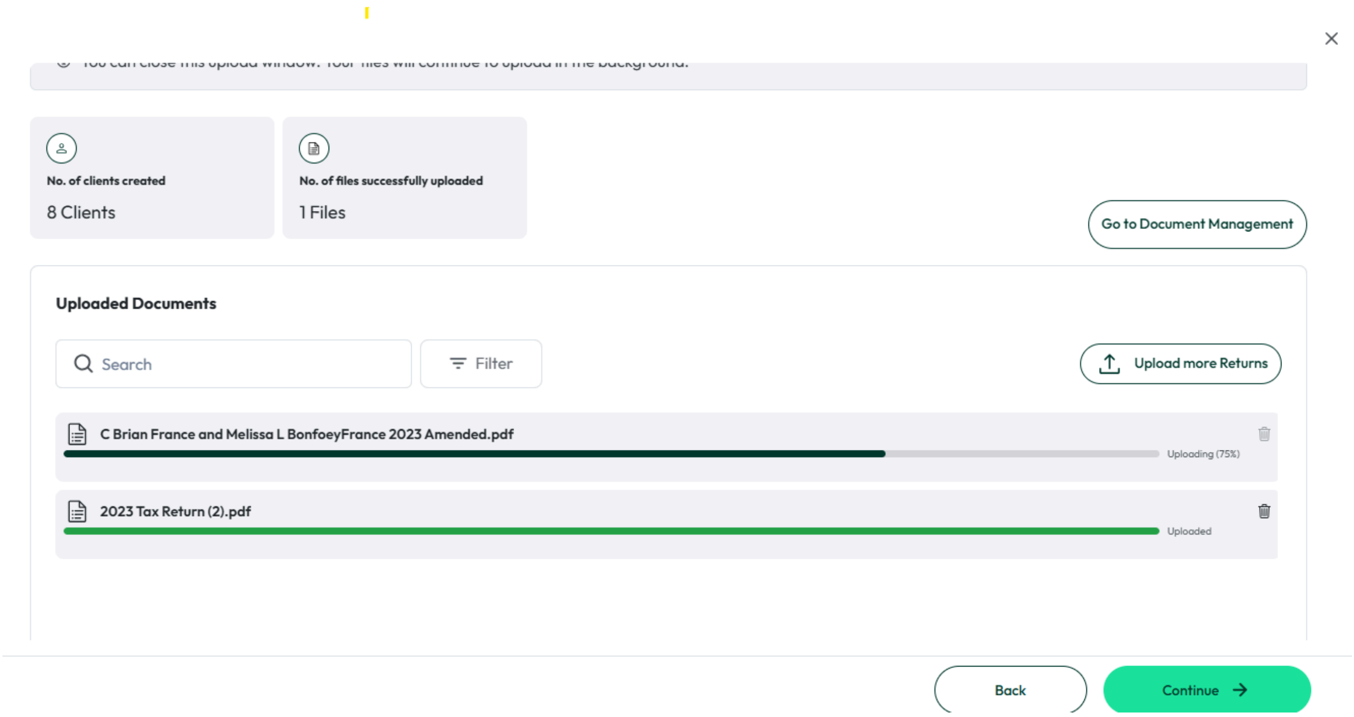


4. **Select** "Upload a Return" **to add a client, then click** "Continue".

5. Upload the previous year's (e.g., 2023) tax **return as a PDF file.**

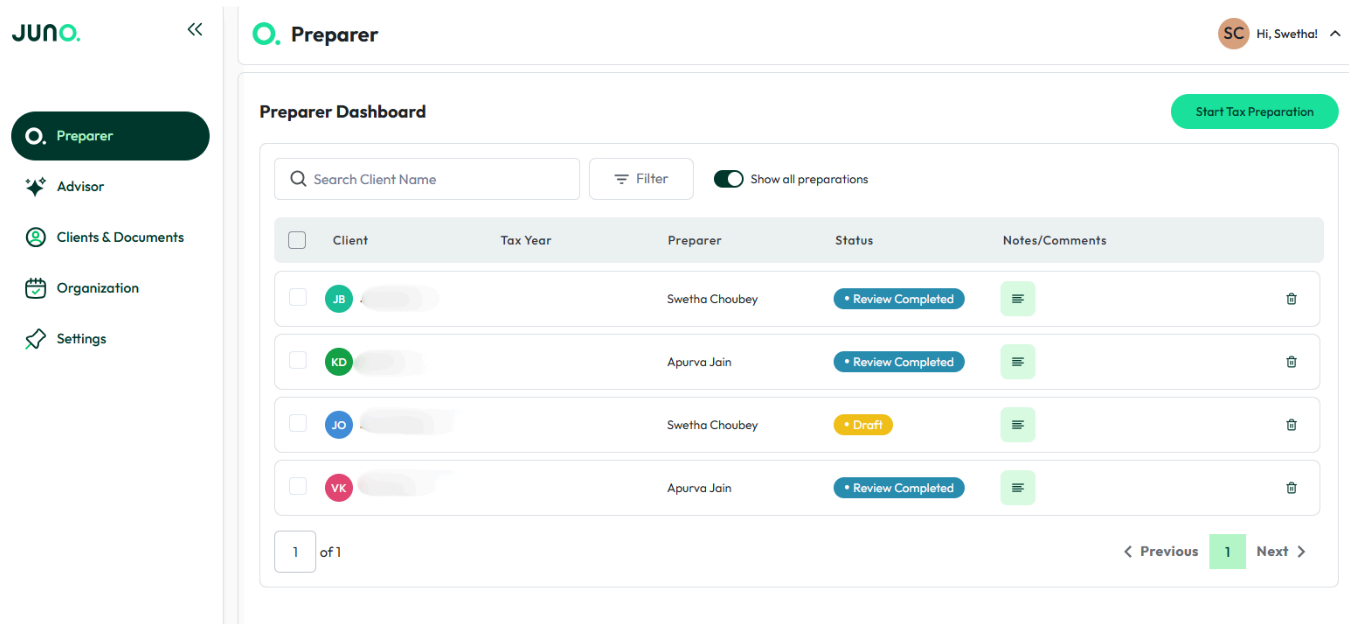


6. Monitor the upload progress until it is **100% complete.**

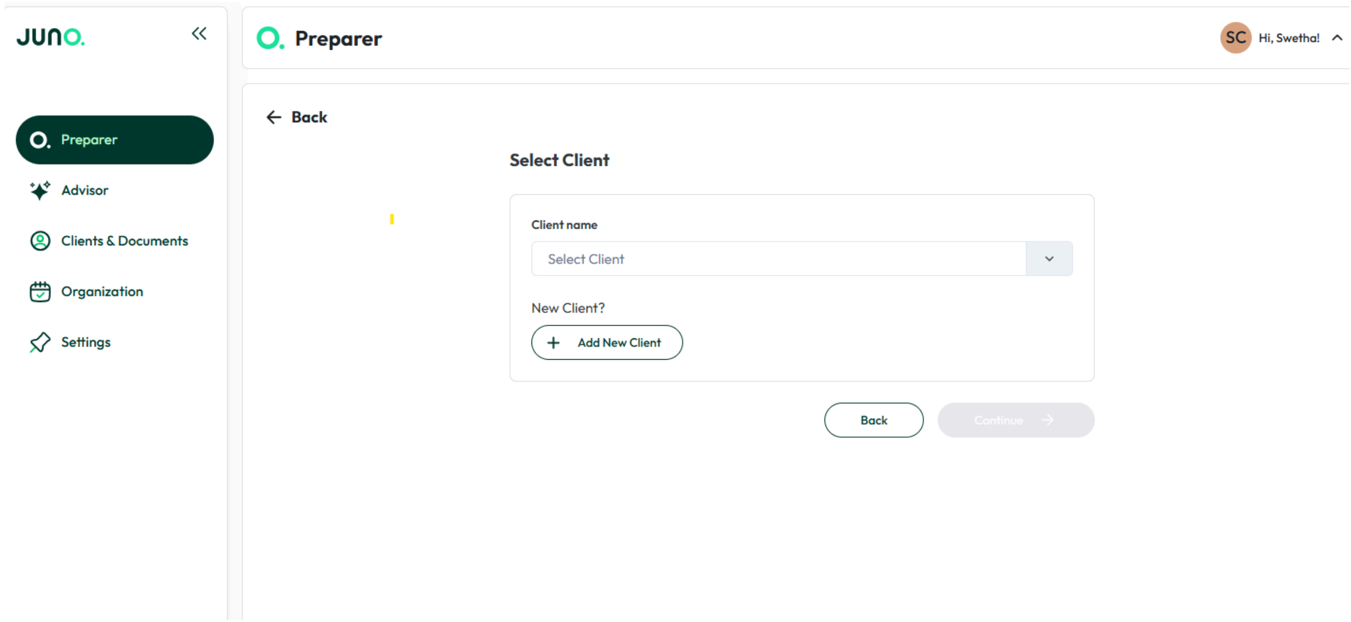


B. INITIATING CURRENT YEAR (2024) TAX PREPARATION:

1. After uploading the prior year return, click "**Continue**".

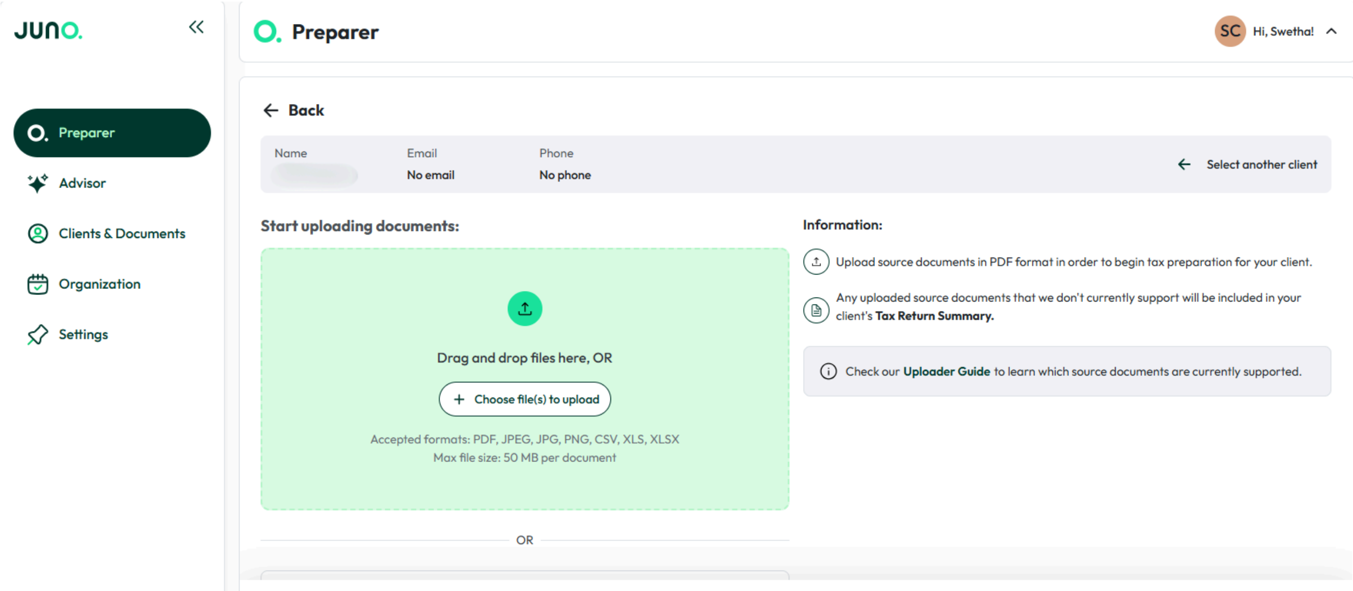


2. Go to the "**Preparer**" tab.
3. Click "**Start Tax Preparation**".



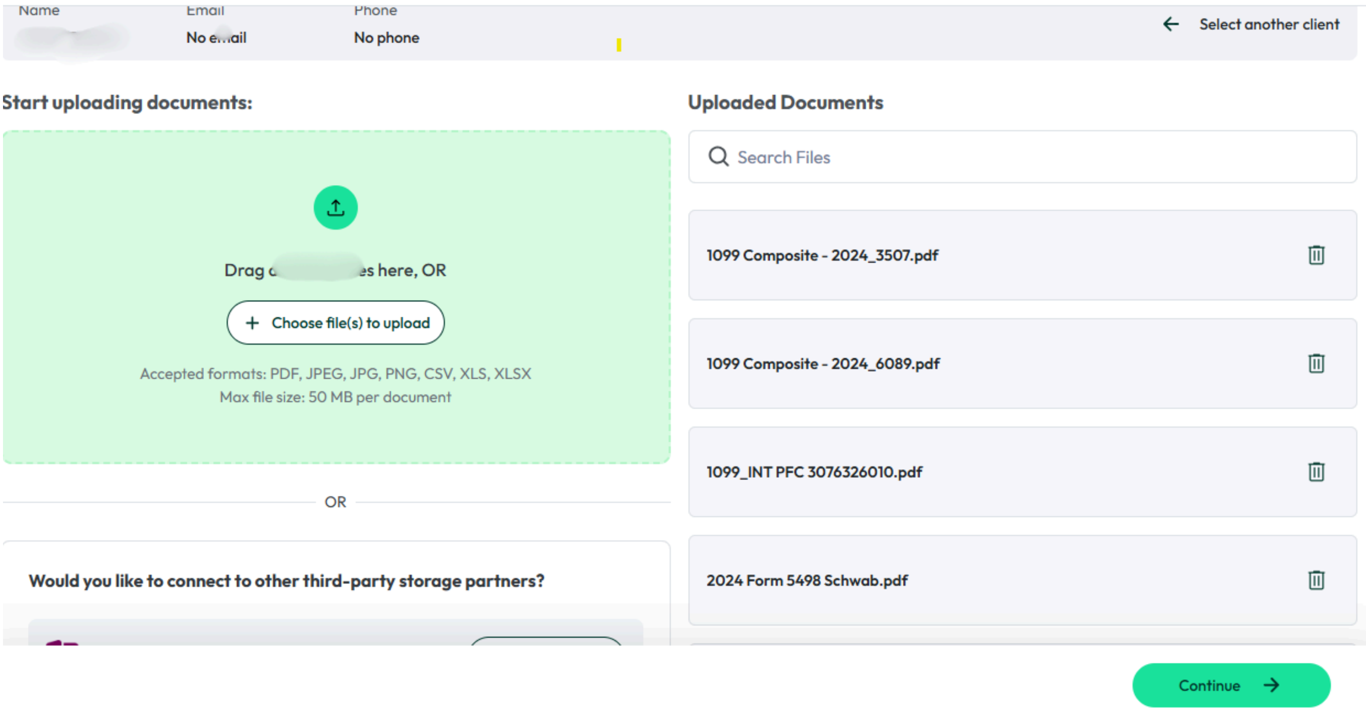
4. **Select the client** for whom the 2023 return was uploaded.

5. Choose the "2024" Tax Preparation Year (which may initially be in "Draft" status), then click "Continue".

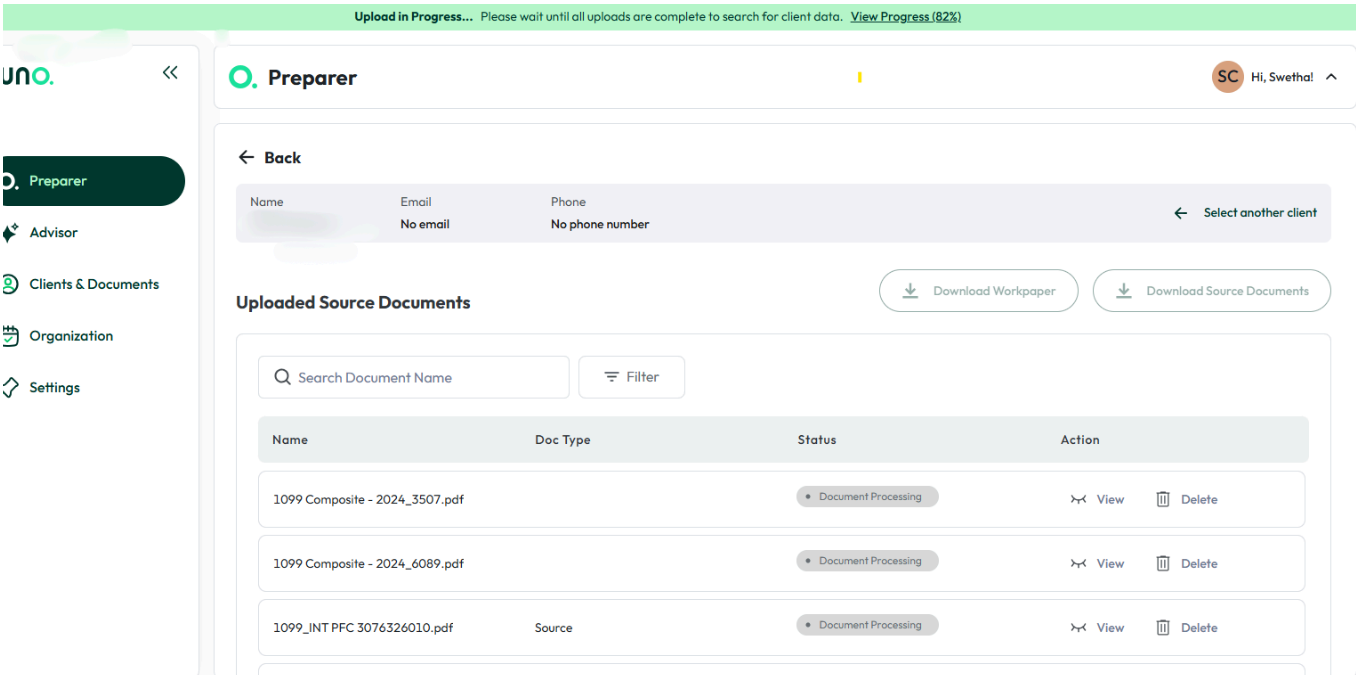


C. UPLOADING CURRENT YEAR (2024) DOCUMENTS:

1. On the document upload screen, drag and drop or choose files to upload for the 2024 tax year. These can include various formats such as PDFs, JPEGs, and Excel files.

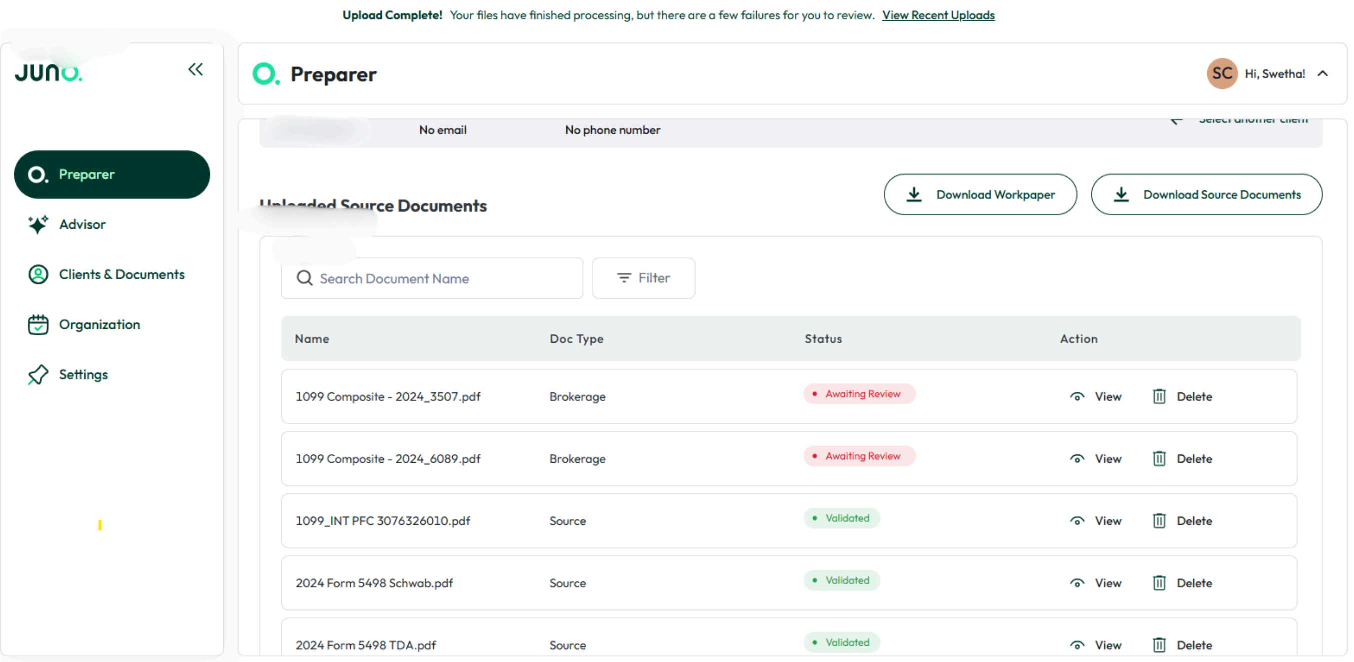


2. **Monitor the upload progress**, which is shown as a percentage.



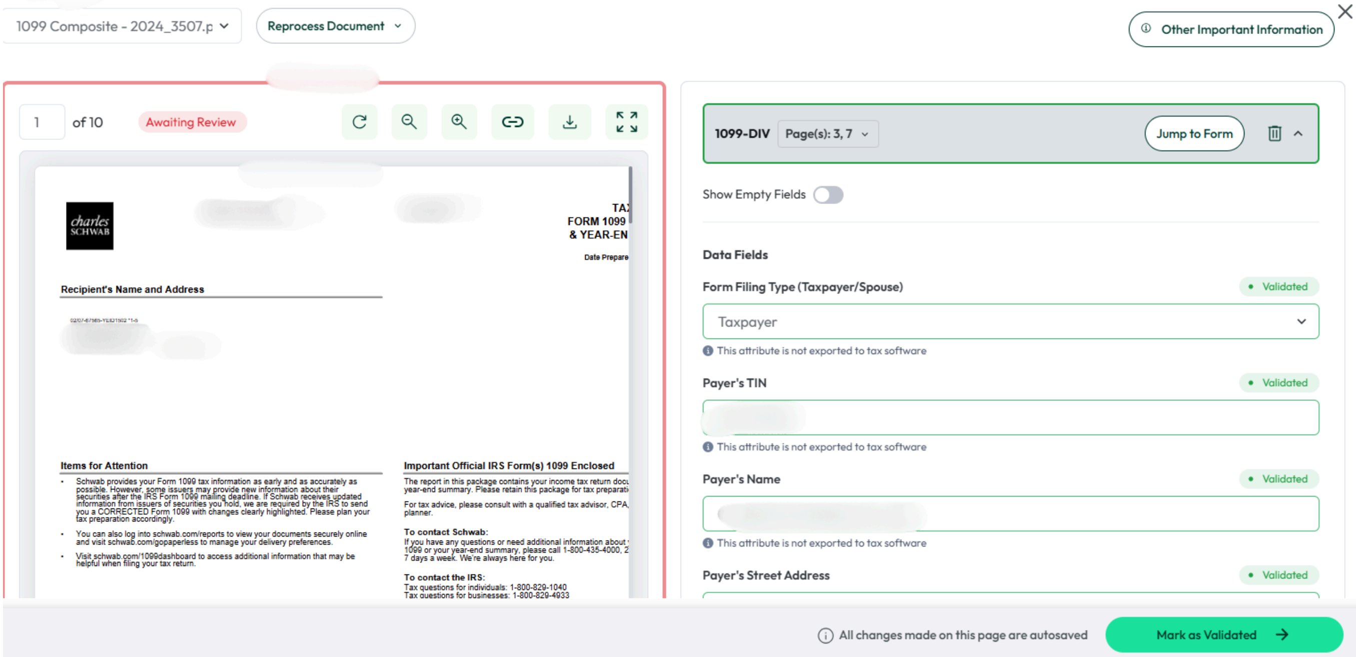
D. DOCUMENT REVIEW AND VALIDATION:

1. Once uploads are complete, review the **"Uploaded Source Documents"** list.



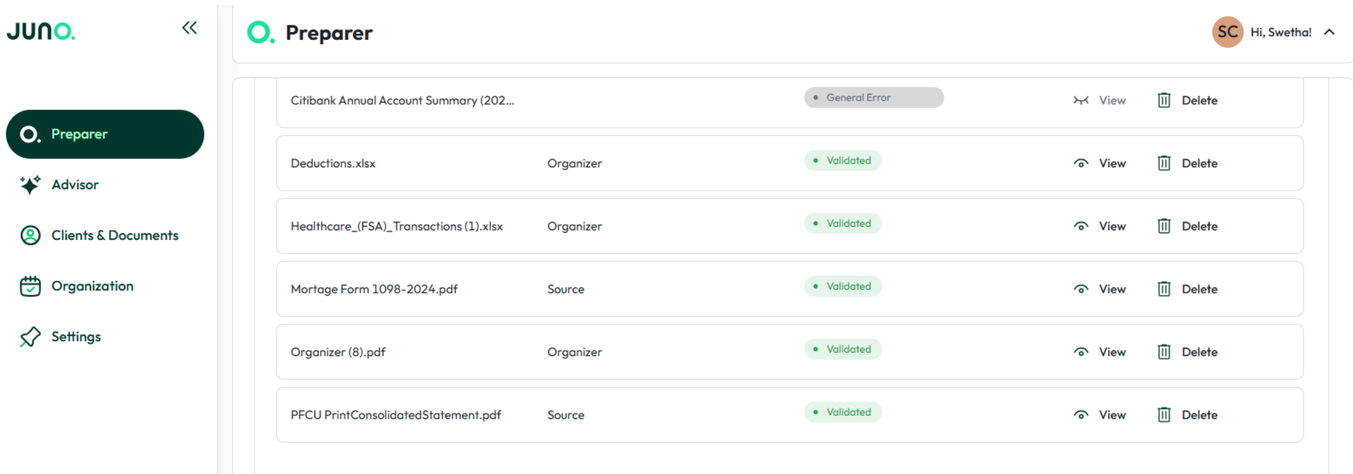
2. **Check the status of each document**, which can be "Not Supported", "Validated", "Awaiting Review", or "General Error".

3. If a document shows "Awaiting Review", click "View" to open the document and manually validate the extracted data fields on the right-hand side of the screen by checking boxes or checkmarks.



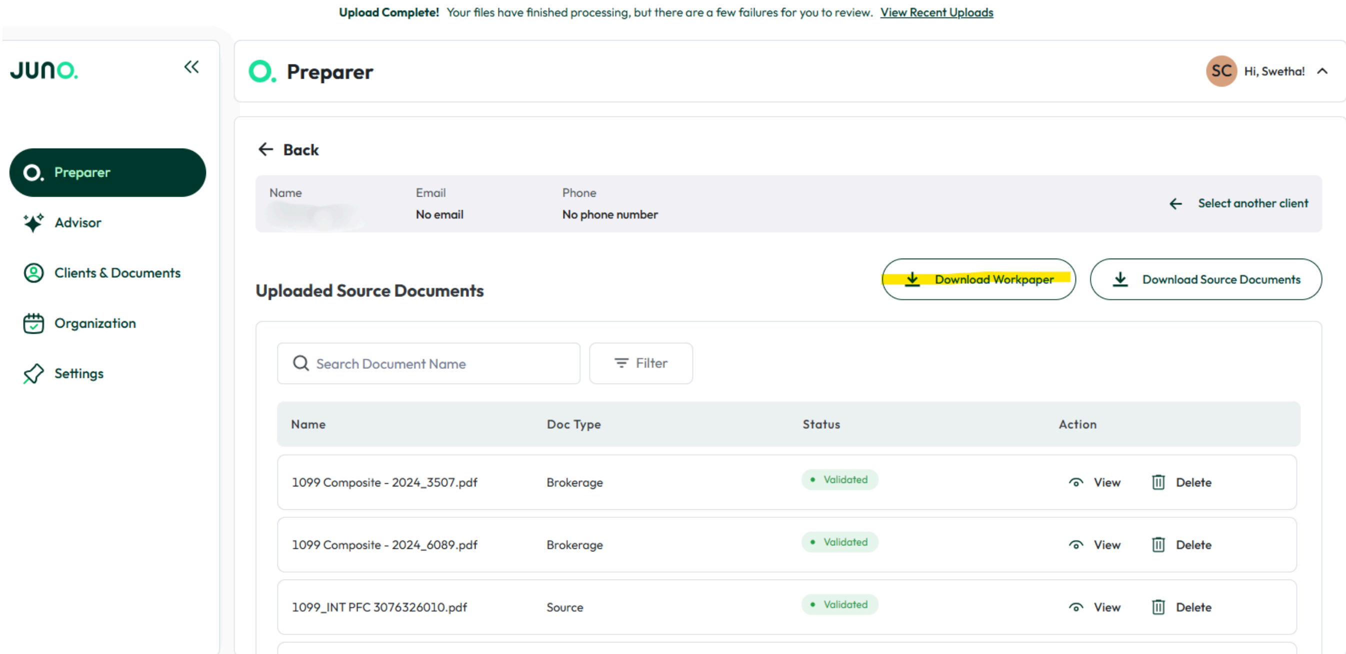
4. If a "General Error" occurs (e.g., for an Excel sheet related to Schedule E), documents may need to be reuploaded multiple times. However, some documents might still show an error and need to be skipped or handled manually. This was one of the common challenge we faced.

5. Ensure all documents are validated before proceeding.



E. WORKPAPER GENERATION AND VERIFICATION:

1. After validating all documents, click "Proceed".
2. Click "Download Workpaper" from the options at the top.



3. Cross-check the generated workpaper with the original source documents to verify the accuracy of the prepared information.

III. RESULTS AND FINDINGS (OBSERVATIONS)

The study identified several issues and challenges when using Juno for tax preparation:

1. GENERAL UPLOAD CHALLENGES:

- **Time-consuming uploads:** It takes time to upload documents, and sometimes a document needs to be uploaded twice or more.

2. WORKPAPER INACCURACIES AND MISSING DATA:

- **Missing Wages:** In one instance, the Box 1 wages amount was missing in the workpaper for a Form W-2. Juno also missed Box 1 wages income in the workpaper for another return.
- Duplicate Entries:
  - If two documents with the same account number are uploaded, the software shows them twice instead of once in the workpaper. This issue was observed for 5 times, where two documents with the same account number were shown twice.
  - Dividend income was considered twice for 4 clients, even with the same account number.
  - For 7 clients, the software considered two copies of the same K-1 twice in the workpaper.

3. SCHEDULE C DIFFICULTIES:

- **Difficulty with various Schedule C document types:** It is challenging to use the Juno app for Schedule C documents because the content can vary greatly (receipts, Excel files, or summaries).
- **Separate Sheets for Income/Expenses:** The software generated two separate sheets for Schedule C income. Expenses related to Schedule C were recorded but could have better summary, as separate sheets were created for both income and expenses.
  - Schedule K-1 Issues: Schedule K-1 (Form 1041) documents uploaded were still not considered in the workpaper. This was also noted as a general error in the Juno which is a good sign.
  - Incorrect Document Categorisation: A Form 1099-K was incorrectly considered as a Form 1099-INT.
  - Failed Uploads: Some client documents related to Schedule E were uploaded more than twice, but still did not upload successfully, leading to the Excel sheet being skipped.

4. ACCURACY PERCENTAGES

Among the clients tested in the study, a specific accuracy percentage is still low. The tool is helping, but still needs a human in the loop.

- Around 17% of clients' tax returns were processed with 100% accuracy, without any human in loop modification.

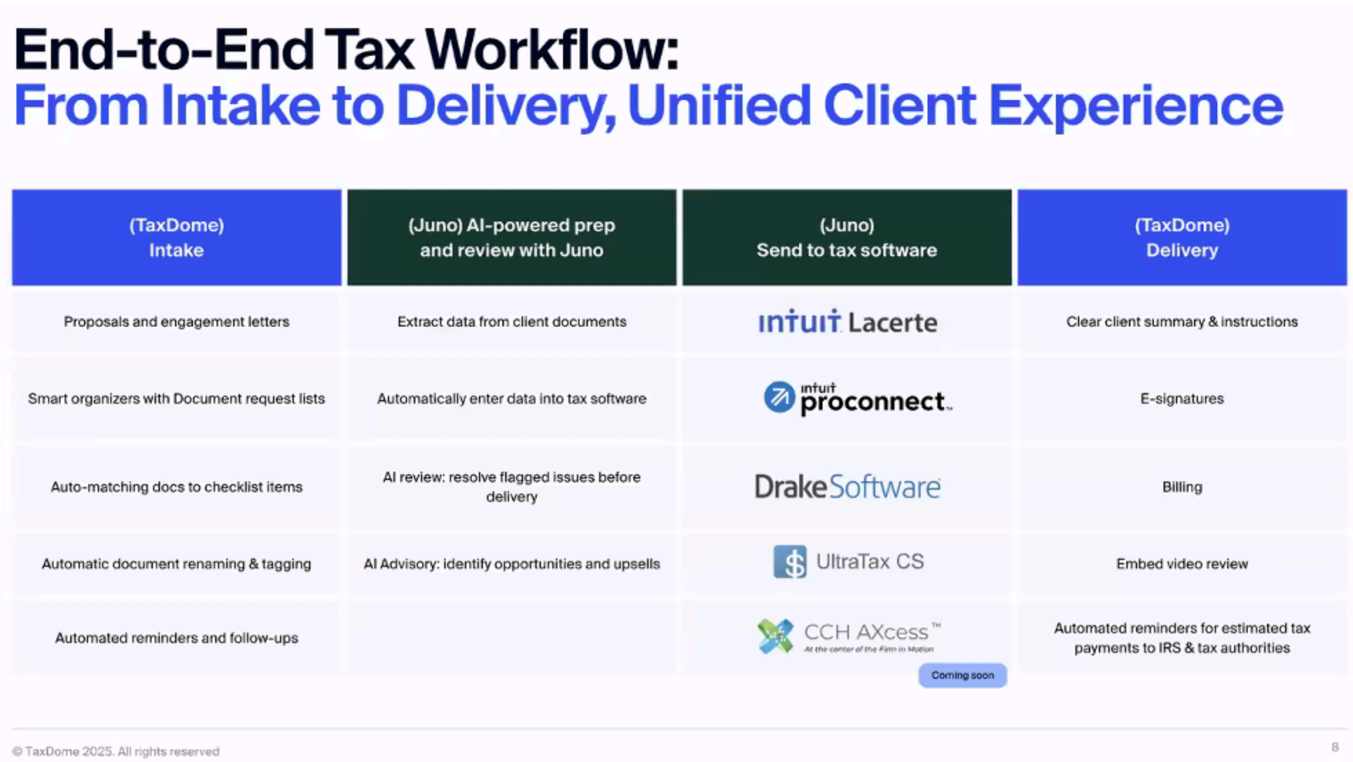
JUNO & TAXDOME

OVERVIEW

TaxDome handles client-facing pieces: proposals, engagement, organizers/checklists, file intake, reminders, billing, e-sign, and the final delivery package.

Juno handles AI prep: reads source docs, extracts fields, flags issues, and posts data into your tax software (Lacerte, ProConnect, Drake, UltraTax CS; CCH Axcess slated next).

The handoff is one-click from TaxDome; status and outputs flow back so you can deliver inside TaxDome.



End-to-End Tax Workflow:
From Intake to Delivery, Unified Client Experience

(TaxDome) Intake	(Juno) AI-powered prep and review with Juno	(Juno) Send to tax software	(TaxDome) Delivery
Proposals and engagement letters	Extract data from client documents	intuit Lacerte	Clear client summary & instructions
Smart organizers with Document request lists	Automatically enter data into tax software	intuit proconnect	E-signatures
Auto-matching docs to checklist items	AI review: resolve flagged issues before delivery	Drake Software	Billing
Automatic document renaming & tagging	AI Advisory: identify opportunities and upsells	UltraTax CS	Embed video review
Automated reminders and follow-ups		CCH AXcess™ Coming soon	Automated reminders for estimated tax payments to IRS & tax authorities

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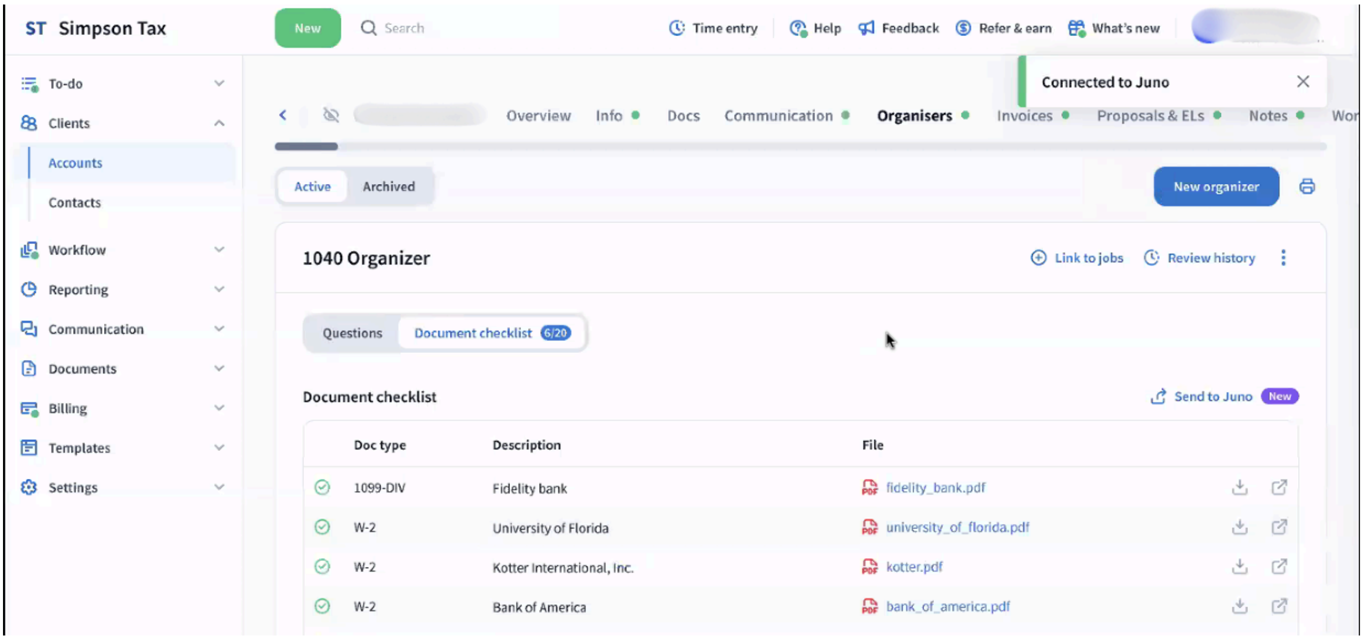
1. THE FLOW (STEP-BY-STEP)

- Intake in TaxDome
- Send proposal + engagement letters.
- Use smart organizers/checklists (by return type).
- Clients upload docs; TaxDome auto-matches to checklist items, auto-renames & tags, and chases reminders for missing items.



2. HANDOFF TO JUNO (FROM TAXDOME)

- Staff clicks Send to Juno on the client/engagement.
- TaxDome passes the organized document set and metadata (client IDs, year, return type).

AI prep in Juno

- **Extract:** Juno reads W-2s, 1099s, K-1s, etc. and normalizes the data.
- **Post:** Juno enters the data into your tax software (field-level mapping).
- **AI review :** flags inconsistencies
- **Advisory cues:** surfaces potential opportunities/upsells (e.g., HSA, withholding adjustments).

3. SEND TO TAX SOFTWARE

- Draft is ready inside **Lacerte/ProConnect/Drake/UltraTax.**
- Your preparer/reviewer does the human pass in the tax software, resolves exceptions, and finalizes.

4. DELIVERY BACK IN TAXDOME

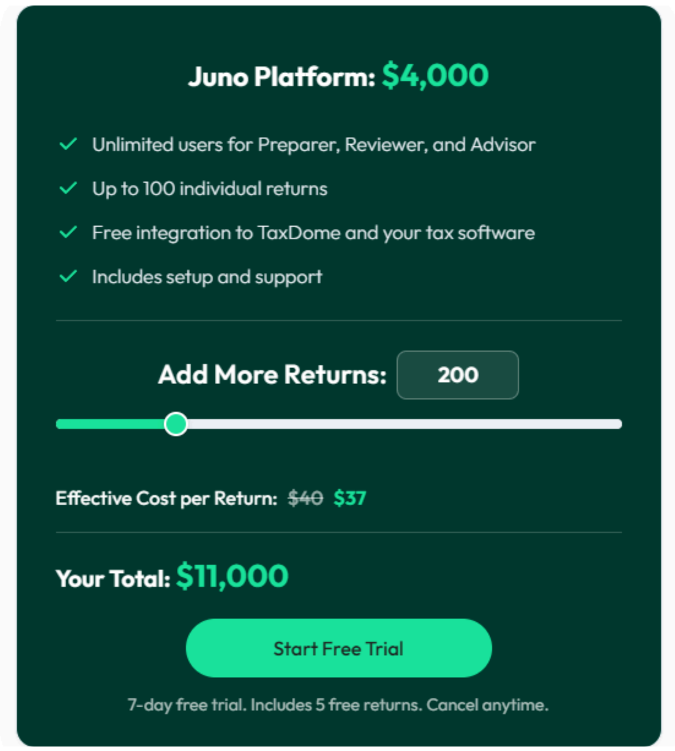
- Export final return to TaxDome's delivery package:
  - Clean client summary & instructions
  - Embedded video review (optional)
  - E-signatures
  - Billing and payment
  - Automated voucher reminders (AI identifies estimates/amounts due and schedules nudges)

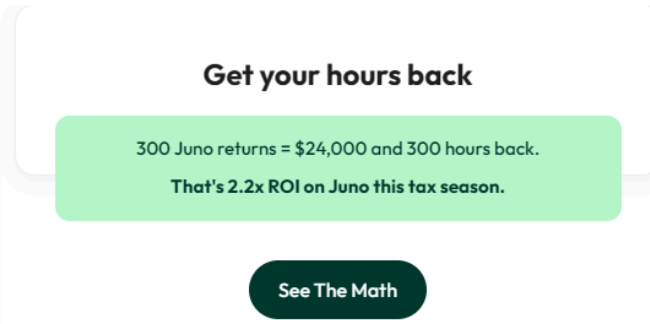
WHO DOES WHAT

(SUGGESTED ROLES)

- **Intake Specialist (TaxDome):** Organizer setup, doc chase, checklist completion.
- **Preparer (Juno + tax software):** Run extraction, clear flags, first review.
- **Reviewer (tax software):** Technical review & sign-off.
- **Client Service (TaxDome):** Delivery, e-sign, billing, voucher reminders.

JUNO PRICING & COMMERCIAL NOTES (AS OF AUG 2025)





Model: You can checkout pricing per return based on your committed returns on **Juno's site.**
No rollover of unused returns.

VISIBLE TIERS

Commit (returns)	Price / return (USD)
100	**$40**
200	**$37**
300	**$36**
500	**$34**
1,500	**$33**
2,000	**$30**
2,300	**$29**
4,500	**$27** (lowest listed tier)

CONTEXT FROM TAXDOME SUMMER UPDATE

- Attendees raised pricing concerns.
- The practical lens: if Juno eliminates or meaningfully reduces prep and review minutes, the per-return fee can pencil out.

Everyone

AM Been waiting for packages feature!

veryone

JS unfortunately this integration won't work for me as my tax software is not compatible with Juno

veryone

JK Yes, we use TaxAct as well

Everyone

ER All customizable, here is quick Tutorial form Carlos Garcia. https://www.youtube.com/watch?v=gU-k-2iluKQ

o Everyone

DK juno is included?

to Everyone

MG Will the package and proposals come out toward the beginning of September, or is it coming out toward the end?

QUICK ROI LENS (BREAK-EVEN MINUTES SAVED)

- If your fully-loaded prep cost is $60/hr ($1/min) and considering the simplicity of return, your tax preparer completes in 1 hour

→ $40 tier pays for itself at ~40 min saved/return; $30 tier at ~30 min; $27 at ~27 min.

- Juno claims to complete the return in 10 minutes. But in our study that was not the case. Uploading of the documents and reviewing took over 30 minutes.

- With TaxDome in the picture, you might see faster uploads and results.

SUGGESTIONS FOR TAX SEASON 2026

1. COMPUTE YOUR MONEY SAVED

- Compute **cost per minute:** fully loaded hourly cost ÷ 60.
- Break-even minutes saved = price per return ÷ cost per minute.
- Example: at $60/hr ($1/min), $40/return breaks even at ~40 min saved.

2. RIGHT-SIZE THE COMMIT.

- No rollover means you should volume-match.
- First season: buy 100 returns as a trial; scale only after data says so.

3. PILOT BEFORE YOU SCALE.

- Run **5–10 returns** across your real mix (clean W-2, investment-heavy, K-1/multi-state, messy scans).
- Measure: prep minutes saved, exception rate, rework, and review minutes added.

4. INCLUDE TAXDOME BENEFITS IN ROI.

- The TD → Juno handoff cuts touchpoints and tab-hopping.
- Count time saved from: organizer matching, reminders, auto-naming, delivery package, e-sign, voucher reminders.

5. TRACK RESULTS BY RETURN TYPE.

- Savings vary: a clean W-2 is not a K-1 multi-state.
- Keep a simple table: form mix → minutes saved → accuracy → go/no-go.

6. CAPACITY HEDGE (IF YOU'RE UNSURE).

- Treat this season as a trial: If you are doing 500 returns, commit 100 Juno returns, route the remaining volume to onshore or offshore team.
- Bonus: pick an offshore partner trained on Juno so they can run extraction, clear flags, and hand you review-ready drafts.

Update: Juno is expected to add Form 1065 support in May 2026 (vendor timeline).

We're Juno-trained, 7216 compliant, and TaxDome-ready. Want to discuss how we can support you in tax season? [Schedule a call here]