



March 16, 2012

At tax time, 'creative people' turn to Newburyport's Peter Jason Riley CPA

By Lynne Hendricks - Correspondent

We all have our gifts. It can be a creative set that makes us great dancers, singers or artists, or the



kind that gives us the natural ability to crunch numbers and create a successful business plan.

Newburyport's Peter Jason Riley was born with the latter talents. He figured out at an early age that making sense of numbers was something he could do effortlessly. But it wasn't until he married his passionate appreciation of the arts to his math skills that his business started booming with a clientele that

includes some of the world's most established opera singers, artists, writers, actors and musicians.

"What I typically hear when people contact me, and the most common comment is, 'I can't find an accountant that understands what I do,'" Riley said.

At home in his Perry Way office, Riley, like all good CPAs, is busy this month, preparing his clients for the tax filing deadline on April 17.

But while clients in all sorts of jobs are phoning the office, the calls that come in with unfamiliar area codes are usually directed to Riley's extension. It's these folks, with their unique tax situations and multi-national performance and touring schedules, who, through word of mouth, consistently beat a path to his door at tax time.

"I grew up in a family that was artistically inclined," Riley said. "My brother is a photographer, and my father was not a professional musician but was a music lover."

Having chosen the tax field already, Riley was on vacation with his wife in 1995 when he came across an interesting tax book on the shelf of a used book store.

It was written by Brendan Hanlon especially for performers, directors and "show biz folk" and offered tips on how to get the most deductions for their unique line of work, as well as some other financial tips.

Later, when Riley read of the author's passing, he planned to update the ideas in Hanlon's book for today's tax code. Soon, though, he wanted to rewrite the book entirely.

"When I got into it, I decided I wanted to make it about the four main disciplines of creative people: writers, musicians, actors and visual artists," he said.

His book, "The New Tax Guide for Writers, Artists, Performers and Other Creative People," was released recently. Riley discusses the principles behind the book and offers a range of tips and aid on his website for these clients: <http://artstaxinfo.com/>.

Soon, like the old "Field of Dreams" mentality, "if you build it they will come," artists of all disciplines, from all around the world, began reaching out to Riley for tax help.

Today, his business is booming with the types of clients he feels most comfortable with.

"I don't know that deductions are that different than what they are for other people, but I've decided that most accountants can't relate to what the artist does," Riley said. "They have trouble with it in their own minds, I think."

Take the story of one of his clients from New York City.

"A classical violinist tells the story of an accountant in the early years, before he was supporting himself, advising him that he ought to consider another profession because he's not going to make any money in this one," Riley said. "This guy had been playing since he was 6 years old. It's a ludicrous piece of advice. They don't get that from me."

Riley gets many of his clients after they've gone to other CPAs, too, due to the complicated write-offs that writers take during periods of research and performers take when earning money in other states and countries.

The average CPA often doesn't deal with enough cases to know the ins and outs of an artist's earnings, let alone defend those write-offs to the IRS in an audit situation, Riley said.

New York Times best-selling author Jenna Blum is one of Riley's clients and recently underwent an audit with his help, he said.

"She was audited by the IRS, and one of the deductions we took was research for a book she had written," Riley said. "We had to prove that some of the travel she had done directly related to research she needed to do for this book. It was unlike a typical audit where I bought a new computer to do tax returns on."

It's not just best-selling authors who Riley represents. He works with creative types of all kinds, whether they are struggling to support themselves or making a handsome living.

He works with a drummer in California, an opera singer living in Paris, writers from across the Eastern Seaboard, and a group of documentary filmmakers living in Singapore, to name just a few.

"I've got three or four touring bands," Riley said. "There are specific things about those returns. It's not necessarily that another accountant would not know them, but I can tune into them quicker than other people can."

And for his skills, his clients give him something more than his tax preparation fee in return.

"I enjoy hearing about what they do," Riley said. "I just find it interesting because, again, that's how I was raised. I like to hear their stories and where they've been, or anecdotes on their tours. It's just fun. They're people that I like. I can relate to them, and I understand the tax issues. I suppose I feel more comfortable with them, just as they feel with me."