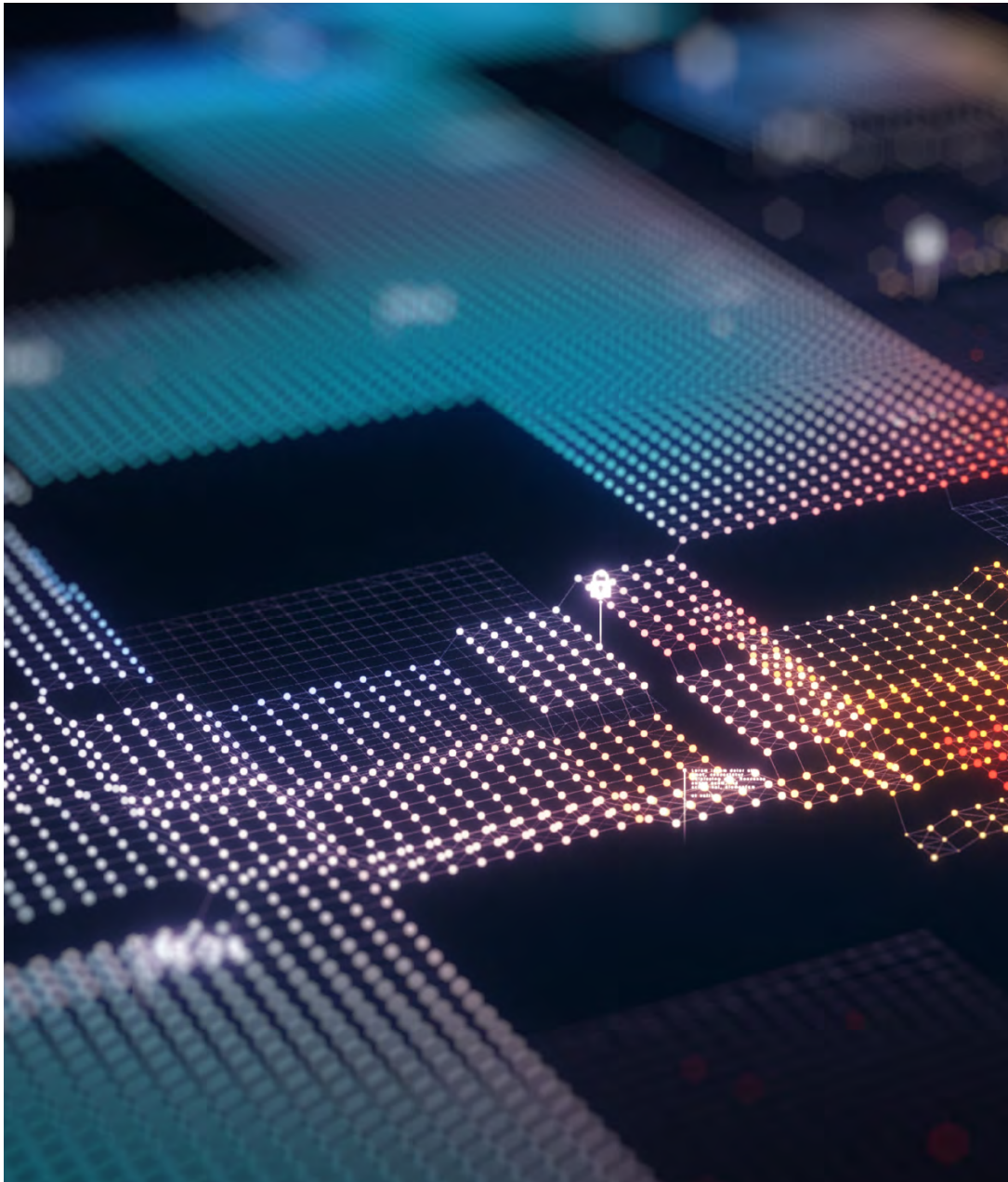




Tax & Accounting

The Cost of Uncertainty: Understanding the Proper Implementation of AI Research in Tax & Accounting



The Foundation of Expertise

In tax and accounting, certainty is everything. Stakeholders and regulators expect precise, well-researched answers. Anything less can damage credibility, invite penalties, and lead to costly mistakes. Whether it's navigating new legislation, addressing complex tax scenarios, or advising on financial decisions, research isn't just a background task, it's the foundation of expertise.

Yet many organizations still rely on Google searches or AI tools like ChatGPT, drawn in by the ease of use and promise of instant answers. The appeal is understandable... Why not leverage free, widely available resources? But the risk of inaccuracy is substantial. Search engines prioritize popularity over precision, and general AI models lack the depth of expertise needed for complex tax and accounting queries. The solution isn't to abandon AI, but to embrace AI tools purpose-built for tax and accounting professionals, solutions that don't just eliminate risk but substantially accelerate research.

As the Technology Moves Forward, So Must the Way Firms Approach Research

The temptation to rely on Google searches and open source AI tools is understandable. These platforms promise quick answers, but they come with significant risks. In the next section, we'll explore why these tools often fall short and the dangers they pose to firms seeking accuracy and compliance.

There is good news, however. Transformative news, in fact. Properly implemented and built on reliable content, AI-enabled research tools can get you to the answers you need with incredible speed and accuracy.

In section three, we will break down how AI-powered research tools can be implemented effectively, ensuring firms get fast, authoritative answers while avoiding common pitfalls.



The Pitfalls of Search Engines and Gen AI in Tax Research

For many professionals, Google is the first instinct when searching for information. It's fast, familiar, and delivers instant results. But when it comes to tax and accounting research, speed without accuracy is a dangerous tradeoff. Search engines prioritize popular results, not necessarily the correct ones. Without the ability to verify the credibility of sources, firms run the risk of relying on outdated or misleading information, exposing themselves to compliance violations, disputes, and financial penalties.

Open source AI tools present a similar challenge. While they can generate well-structured answers, they are not designed with tax precision in mind. These AI models pull from vast, non-specialized datasets, meaning their responses can lack context, misinterpret regulations, or even fabricate information. The consequences of relying on flawed AI-generated research can be severe, leading to incorrect filings, audits, and reputational damage. Without rigorous, domain-specific training, open source AI tools are not equipped to handle the complexities of tax and accounting research.



A High-Risk Detour

Beyond accuracy concerns, using Google or open source AI also wastes valuable time. Professionals often find themselves fact-checking AI-generated responses or sifting through pages of search results to confirm validity. What initially seemed like a shortcut becomes an inefficient, high-risk detour that can cost firms both time and trust.

The risks are real, but so is the solution. In the next section, we'll explore how purpose-built AI research tools solve these problems, delivering not just speed, but confidence in every answer.

A Cautionary Tale of AI Hallucinations

In early 2025, a law firm faced court sanctions after its attorneys unknowingly cited fabricated legal cases generated by an AI tool in a case against Walmart. The incident made **national headlines**, resulted in the lead attorney being removed from the case, and was described by another member of the firm as a “great embarrassment.” This incident highlights a critical danger: AI without proper safeguards can create convincingly false information. The risks are simply too great to ignore.



Eliminate the Risk

AI has the power to revolutionize tax research, but only when built with precision, purpose, and safeguards. Unlike open source AI models that pull from vast, unverified sources, AI research tools designed for tax professionals operate within a controlled environment, ensuring every result is grounded in verified, authoritative content. Without these safeguards, AI-generated responses can introduce risk instead of reducing it.

“AI isn’t only about technology implementations. What’s harder: people need to unlearn existing skills and learn new skills... Firms need clear governance frameworks and a culture that effectively blends human expertise with AI capabilities.”

Adam Orentlicher

Senior Vice President & CTO, Wolters Kluwer Tax & Accounting



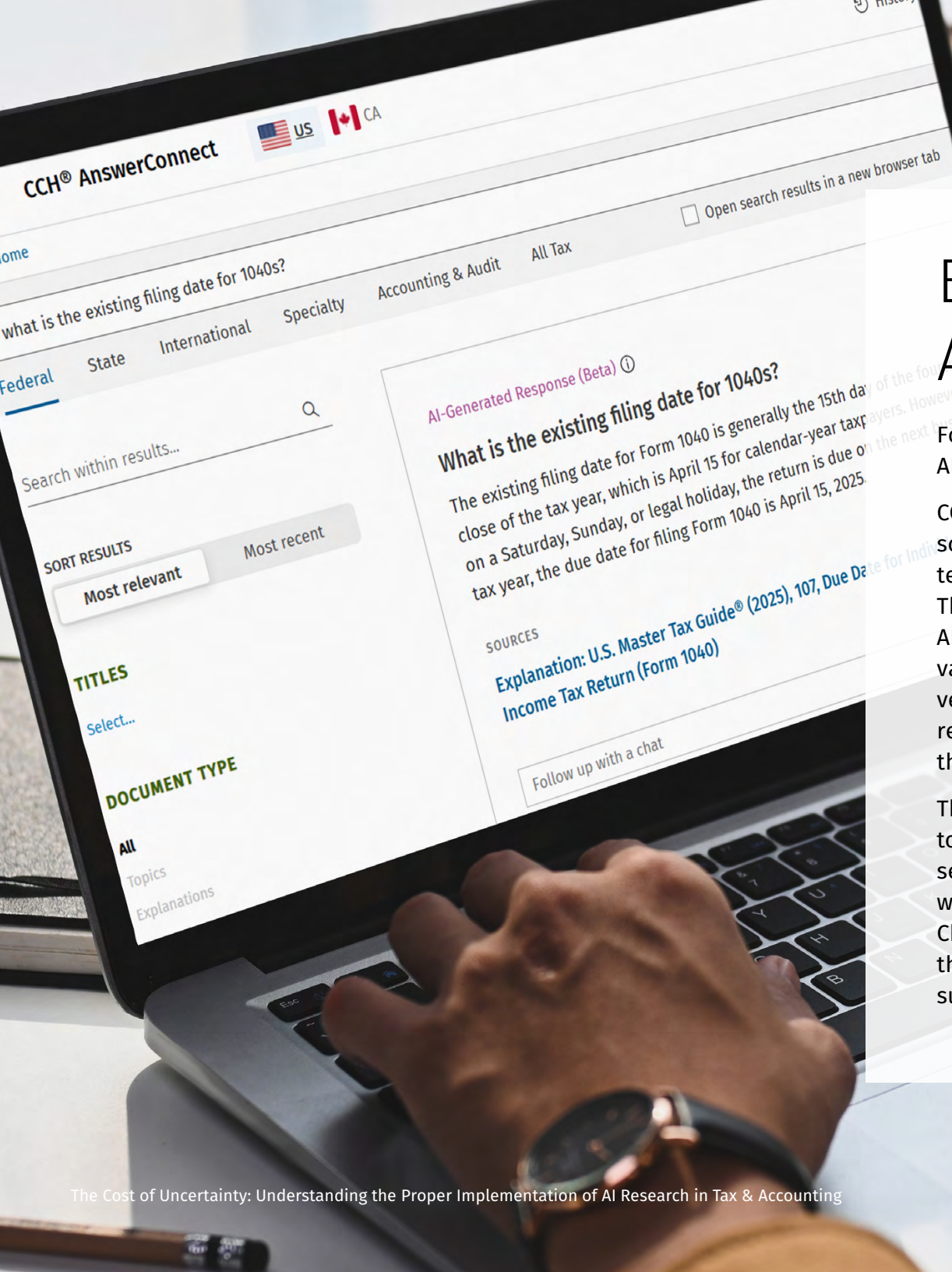
Risk-Free AI Starts with Smart Boundaries

AI is only as reliable as the information it's built on. It doesn't truly understand the meaning of the information it's relaying; it generates responses based on patterns in its training data. When that data is drawn from open, unregulated sources, the results can be unpredictable, incomplete, or simply wrong.

That's why purpose-built AI tools rely on closed environments, sometimes called "sandboxed" systems, where the training data is carefully curated, structured, and monitored. In tax and accounting, this means drawing only from trusted, up-to-date sources: tax code, regulations, court decisions, and expert interpretations. Nothing is left to chance.

This controlled approach eliminates noise, reduces risk, and allows the AI to deliver responses that are not only fast, but trustworthy. It's the difference between a public forum and a professionally curated library.

In high-stakes fields, smart AI doesn't just need intelligence, it needs guardrails.



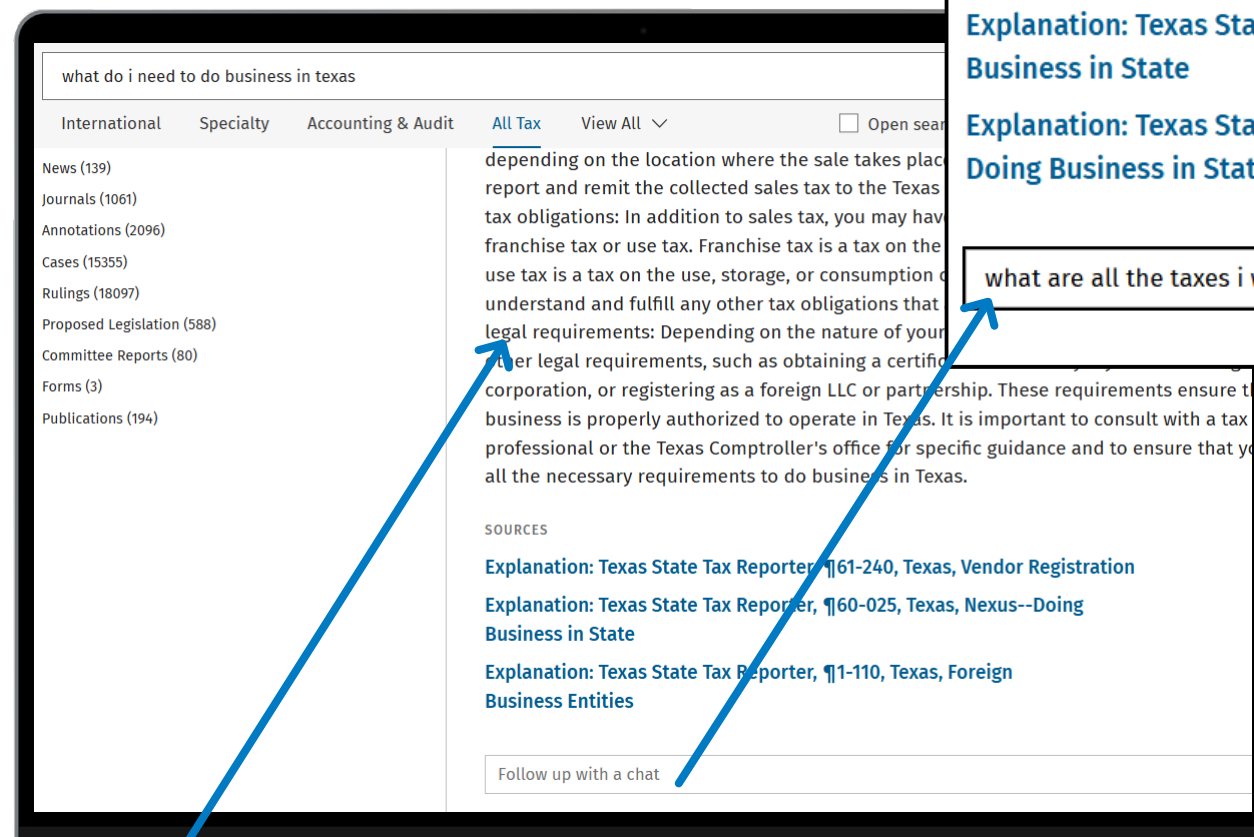
Bringing Purpose-Built AI Search to Life

For a real-world example of what properly implemented AI research can look like, let's turn to CCH® AnswerConnect.

CCH AnswerConnect's AI feature operates just like open source AI tools – you can open a conversational interface, tell the AI what you are looking for, and start a dialogue. The difference lies in the fact that CCH AnswerConnect's AI is only fed content that Wolters Kluwer experts have validated as accurate and up to date. Built on a vast, verified library of federal, state, and international tax law, regulations, and expert analysis, the platform ensures that every result is grounded in trusted content.

The breadth and depth of the content is also superior to what you would find from a Google result or ChatGPT search, with tools, resources, and analysis that you will only find on CCH AnswerConnect. And just like ChatGPT, once you have found what you're looking for, the AI can help package the information for you, drafting summaries, client letters, or whatever you may need.

Trusted AI Answers



Explanation: Texas State Tax Reporter, ¶61-240, Texas, Vendor Registration

Explanation: Texas State Tax Reporter, ¶1-110, Texas, Foreign Business Entities

Explanation: Texas State Tax Reporter, ¶60-025, Texas, Nexus--Doing Business in State

Explanation: Texas State Tax Reporter, ¶10-075, Texas, Nexus--P.L. 86-272--Doing Business in State

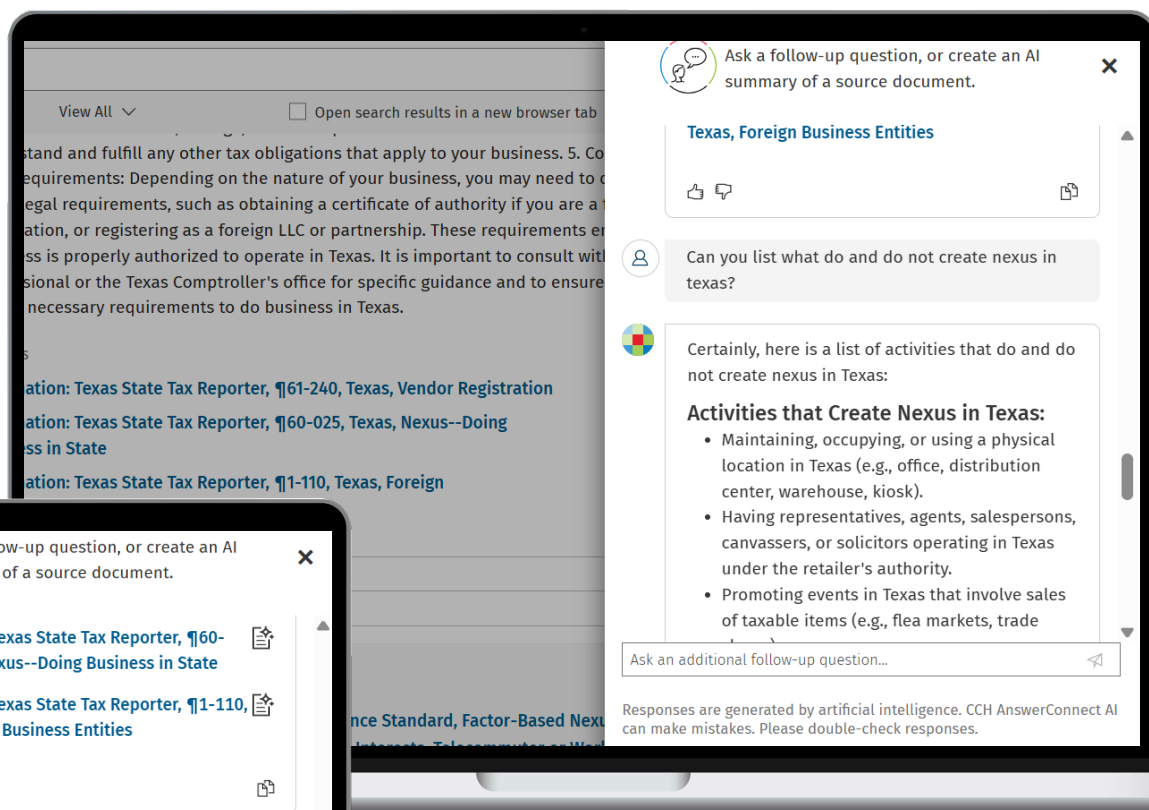
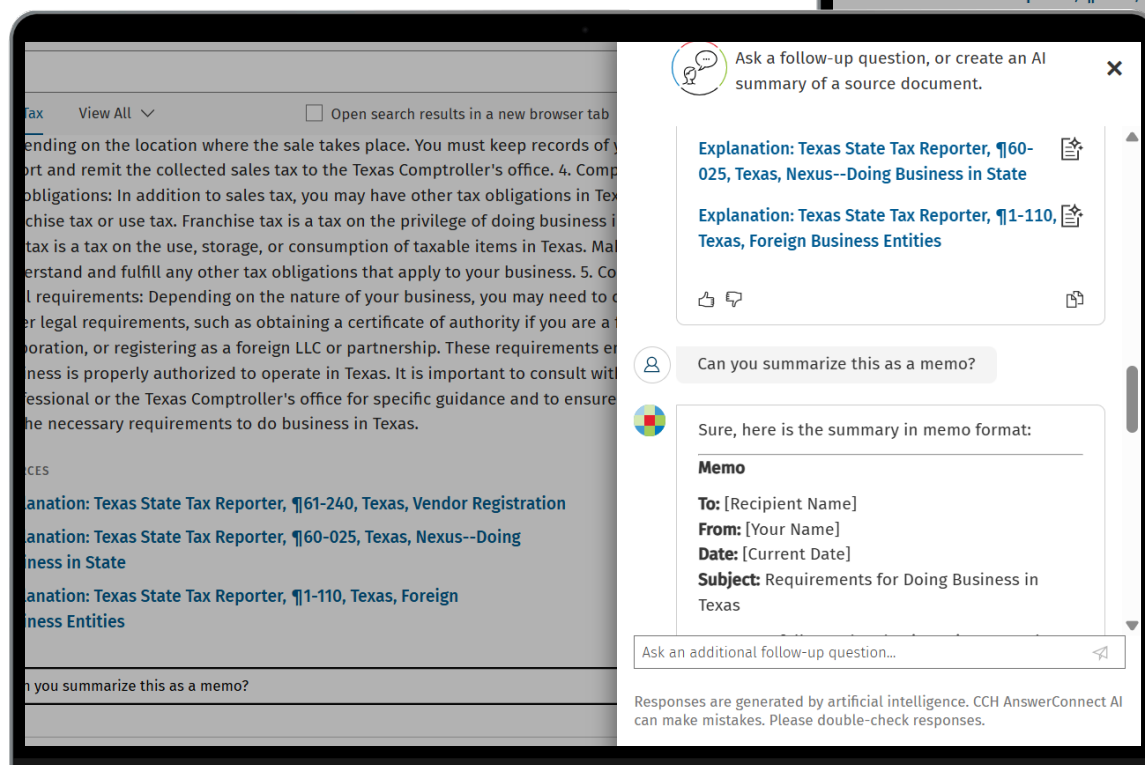
what are all the taxes i would be subject to in texas

2. Users can also ask follow-up questions to go deeper, without having to start over or search manually. The result is a faster, more intuitive research experience that supports real-world scenarios without the need to cross-reference multiple sources. ▲

1. CCH AnswerConnect supports a conversational AI experience, allowing professionals to ask questions like they would when speaking to a colleague. Users can simply type a question and receive an AI-generated response pulled directly from a verified library of sources, content, and analysis. ▲

From Insight to Action

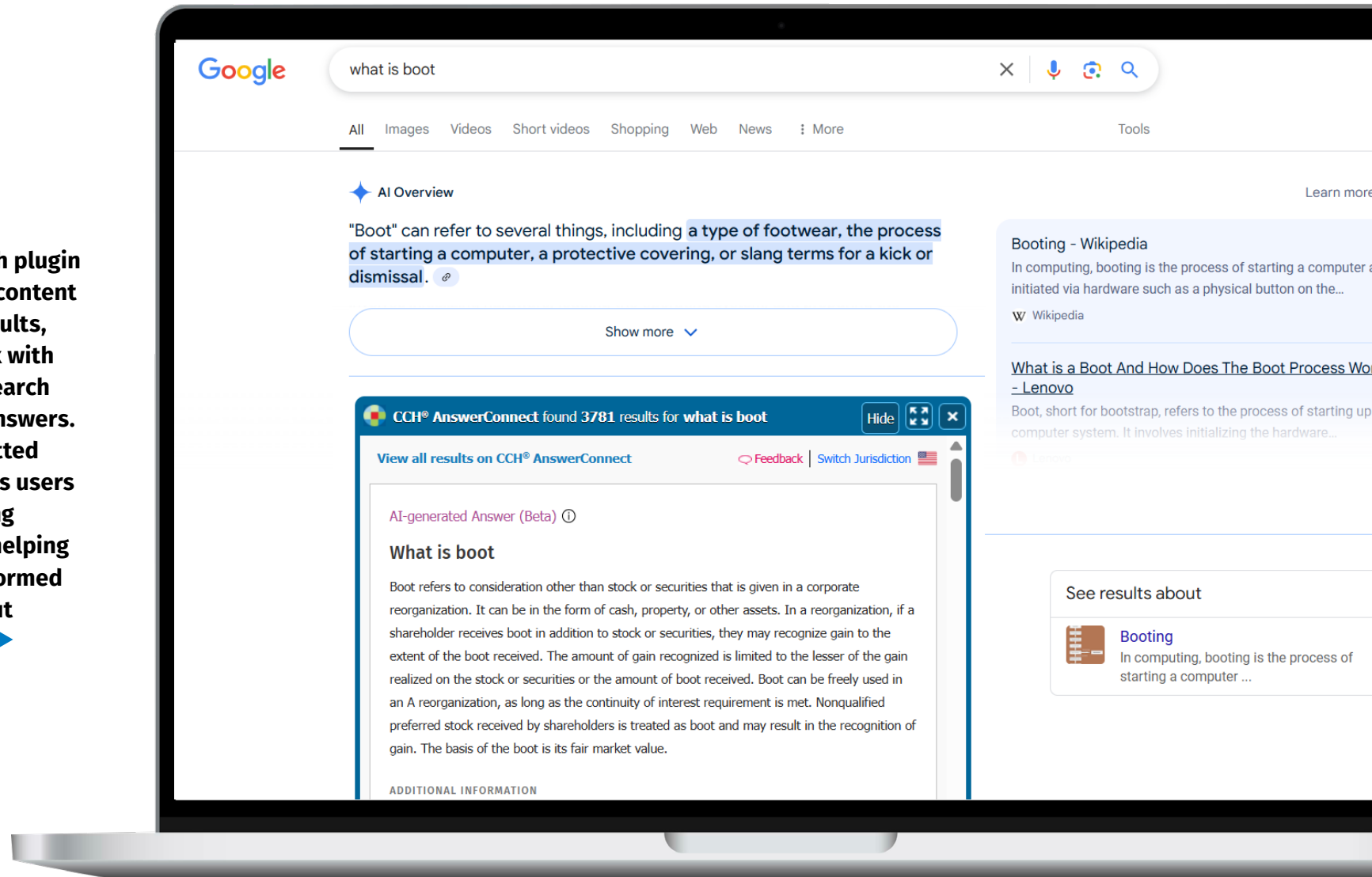
3. Within the chat pane, users can explore related guidance, cited sources, official forms, and state-specific insights, all connected to the original question. This makes it easier to not only find answers, but to understand the full picture. ▶



4. Bridge the gap between insight and execution by summarizing content, drafting client letters, and generating memos on command. ◀

Google, But Better

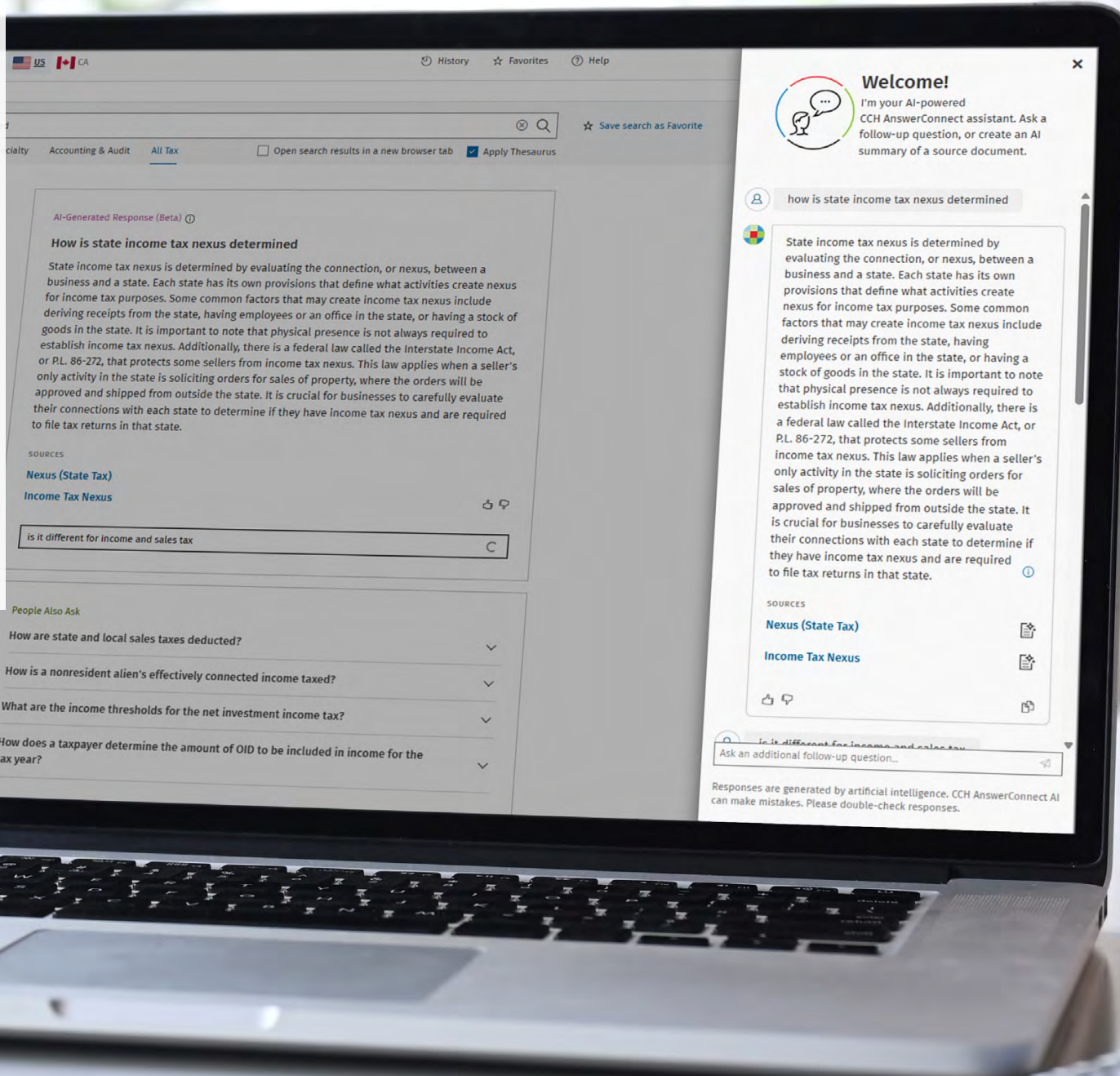
The CCH Browser Search plugin brings AnswerConnect content directly into Google results, displaying a callout box with relevant, validated research alongside public web answers. This embeds expert-vetted guidance into workflows users already rely on, reducing context switching and helping professionals make informed decisions faster, without leaving familiar tools. ►



Confidence in Every Answer

Cut through the clutter with AI-enabled research that gets it right the first time. CCH® AnswerConnect gives you fast, AI-powered research backed by 100+ years of tax and accounting expertise.

[Start Your Free Trial →](#)



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