Tax Strategies for Small Business Success – Online Resources

This list of selected online resources was prepared by SJSU MST student Shruti Raja and the topics covered tie to those presented at the June 15 conference. To make access to the links easier, this document will also be posted at http://www.tax-institute.com at a link that references the June 24, 2015 IRS-SJSU Small Business Tax Institute.

Optimizing Business Deductions

General

Starting a Business

http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Starting-a-Business

This link provides list of links to basic federal tax information for people who are starting a business, as well as information to assist in making basic business decisions.

Online Learning and Educational Products

http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Online-Learning-and-Educational-Products

The IRS link contains video and audio presentations on topics of interest to small businesses. This link also provides other educational information for the use of small business owners.

IRS: Small business expenses

http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed

This IRS webpage provides tax resources for small business and self-employed taxpayers who file Form 1040, Schedules C, E, F or Form 2106, as well as small businesses with assets under $10 million. You can select topics using the A-Z index listing.

http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Deducting-Business-Expenses

If you have a small business, this IRS website provides list and limits of deductions allowed to a small business. You should check this website for list of deduction allowed to small business.

Small Business Forms and Publications

http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Small-Business-Forms-and-Publications

Small business owners can select and download multiple small business and self-employed forms and publications.

http://www.irs.gov/pub/irs-pdf/p334.pdf

This publication provides general information about federal tax laws that apply to small business owners. The publication has information on business income, expenses, and tax credits.

https://business.ca.gov/

This link offers a range of services to business owners including: attraction, retention and expansion services, site selection, permit streamlining, clearing of regulatory hurdles, small

business assistance, international trade development, assistance with state government, and much more.

Employee Benefits

Employee fringe benefits

http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Employee-Benefits

If your small business is providing free or discounted commercial flights, vacations, discounts on property or services or other such benefits to employees, these are to be included in an employee's gross income with some exceptions.

Accountable versus Non accountable

http://www.irsvideos.gov/TaxabilityCertainFringeBenefits/pdf/Accountable_v_Nonaccountable_Plans_Methods_of_Reimbursing_Employees_for_Expense.pdf

This link provides you information on Accountable v. Non Accountable Plans that are the methods of reimbursing your employees for Expenses.

IRS Publication 15-B

http://www.irs.gov/uac/About-Publication-15B

This publication provides detail information on fringe benefits.

Home Office Deduction

Requirements to claim home office deduction

http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Home-Office-Deduction

If you use part of your home for business, you as a small business owner may be able to deduct expenses for the business use of your home. The home office deduction is available for homeowners and renters, and applies to all types of homes. This link provides information on home office deduction. There is also a link to Form 8829, Expenses for business Use of Your Home.

Publication 587, Business Use of Your Home

A small business owner who is using his home as office, this publication provides information on figuring and claiming the deduction for business use of your home. This also provides meaning of the term home.

Standard Mileage Rates

Business use of car

http://www.irs.gov/taxtopics/tc510.html

If as a small business owner you use the car for both business and personal purposes, you may deduct only the cost of its business use. This link provides information on two methods:

the standard mileage rate method or the actual expense method. If you qualify to use both methods, you may want to figure your deduction both ways before choosing a method to see which one gives you a larger deduction.

Standard mileage table

http://www.irs.gov/Tax-Professionals/Standard-Mileage-Rates

The table on this webpage summarizes the optional standard mileage rates for small business or other taxpayers to use in computing the deductible costs of operating an automobile for business, charitable, medical, or moving expense purposes.

Retirement Plans for Small Business Owners and Employees

Retirement plans

http://www.irs.gov/Retirement-Plans/Plan-Sponsor/Small-Business-Retirement-Plan-Resources

This IRS resource helps you in choosing, operating and maintaining a retirement plan for both small business owners and employees. The webpage also lists list of various types of retirement plans available.

Choosing a retirement solution for your small business

http://www.irs.gov/pub/irs-pdf/p3998.pdf

There are a number of retirement programs that provide tax advantages to both employers and employees. This information choosing a Retirement Solution for Your Small Business is a joint project of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) and the Internal Revenue Service and provides with comparison charts among different plans.

IRS Publication 560: Retirement Plans for Small Business
http://www.irs.gov/publications/p560/ch04.html

This publication provides general information about all the retirements plans available to small business (SEP, SIMPLE, and Qualified Plans) and provides worksheets, tables for small business owners.

Sales Tax – Avoiding California Problems

State Tax Obligations

https://www.sba.gov/content/learn-about-your-state-and-local-tax-obligations

A small business in addition to Federal tax is required to pay some state and local taxes. Each state and locality has its own tax laws. This link provides access to key resources that will help you learn about your state tax obligations.

Avoiding Common Sales and Use Tax Problems

http://www.boe.ca.gov/info/pdf/v.2_sutd_pitfalls_1-5-10.pdf

This link provides information to help you avoid some of the most common sales and use tax mistakes.

Sales & Use Tax Publications

http://www.boe.ca.gov/sutax/staxpubsn.htm

This link contains a list of publications for different types of small business in California.

Certificates Used in Sales & Use Tax Regulations

http://www.boe.ca.gov/sutax/certforms.htm

Many regulations include examples of exemption certificates that a purchaser might issue to a seller. This page includes links to the sample exemption certificates that are included in regulations and to the regulations themselves. It is important to read the regulations to determine whether the sample exemption certificates apply to your transactions.

Small Business Fairs Schedule

http://www.boe.ca.gov/sutax/sbf.htm

If as small business information you are interested in attending small business fairs, this link provides schedule of small business fairs sponsored by the BOE to be held in California in upcoming months.

Due Diligence in Serving Small Business Clients

Circular 230 - http://www.irs.gov/pub/irs-pdf/pcir230.pdf.

Hiring Correctly and Avoiding Payroll, Non-tax Legal, and Classification Problems

Businesses with Employees

http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Businesses-with-Employees

When as a small business owner you have employees, this link provides you all the record keeping and filing you are required to do for your employees.

Employer ID Numbers

http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Employer-ID-Numbers-EINs

An Employer Identification Number (EIN) is also known as a Federal Tax Identification Number, and is used to identify a business entity. Generally, businesses need an EIN. You may

apply for an EIN in various ways. This link provides you all the information on EIN and how to apply for it.

Independent Contractor (Self-Employed) or Employee

http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Independent-Contractor-Self-Employed-or-Employee

Small business owners must withhold income taxes, withhold and pay Social Security and Medicare taxes, and pay unemployment tax on wages paid to an employee. They do not generally have to withhold or pay any taxes on payments to independent contractors. For this purpose it is critical that business owners correctly determine whether the individuals providing services are employees or independent contractors. This link provides all information on difference between employee and contractor.

Professor Nellen's Worker Classification Website

http://www.21stcenturytaxation.com/Worker_Classification.html

Includes links to IRS and EDD and other government information on distinguishing employees from contractors and compliance considerations.

Accounting Methods Requirements and Options for Small Businesses:

Publication 538: Accounting Periods and Methods

http://www.irs.gov/pub/irs-pdf/p538.pdf
This IRS publication provides an overview to accounting periods and methods.

Special rule for small businesses adopting the final tangible property regulations – Rev. Proc. 2015-20

http://www.irs.gov/irb/2015-9_IRB/ar09.html

This new and modified Revenue Procedure permits a small business taxpayer to make certain tangible property changes in methods of accounting with an adjustment under § 481(a) that takes into account only amounts paid or incurred, and dispositions, in taxable years beginning on or after January 1, 2014.