



Business and Accounting Basics

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Business Idea

- ▶ Find a Need, Fill a Need.
- ▶ Know what you do well, do it, and get help with the rest.
- ▶ Understand and Calculate Risk.
 - ▶ Not always financial
 - ▶ Market vs. Marketing



Entity Selection

- ▶ Sole Proprietor – Flow Through
 - ▶ Schedule C / Form 1040 – Non-Rental Businesses
 - ▶ Schedule E / Form 1040 – Rental Properties
- ▶ LLC – Flow Through
 - ▶ Single Member – Schedule C, E / Form 1040 or Taxed As an S-Corp Form 1120S (Election Must Be Made)
 - ▶ Multi-member – Form 1065 Partnership or Taxed As an S-Corp Form 1120S (Election Must Be Made)
- ▶ Corporation
 - ▶ S-Corporation (Election Must Be Made) – Flow Through
 - ▶ Form 1120S
 - ▶ C-Corporation – Stand Alone
 - ▶ Form 1120



Understanding Accounting

- ▶ Balance Sheet

- ▶ Summarizes Assets, Liabilities, and Capital at a Particular Point in Time.

- ▶ Profit and Loss

- ▶ Summarizes Revenue and Costs over a Specified Period of Time

- ▶ Cash Flow Statement

- ▶ Summarizes the use of Cash over a Specified Period of Time

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Accounting Systems

- ▶ QuickBooks
 - ▶ Online vs. Desktop
- ▶ Sage Products
- ▶ NetSuites
- ▶ Intaact
- ▶ Peachtree
- ▶ Zoho



Employee vs. Independent Contractor

- ▶ Three IRS Tests
 - ▶ Behavior Control
 - ▶ Control over the Worker's Time, Work-Life, and Tools
 - ▶ Financial Control
 - ▶ Compensation Structure. Salary, Wage, Commission; or Paid based on the Project
 - ▶ Type of Relationship
 - ▶ Who dictates the when and how the work gets done.



Employee vs. Independent Contractor Taxes

Employee

- ▶ FICA / Medicare
 - ▶ Employer Half
 - ▶ Employee Half
- ▶ W-2 Issued

Independent Contractor

- ▶ FICA / Medicare
 - ▶ 100% By Contractor (SE Tax)
- ▶ Form 1099 Issued



Payroll Compliance

- ▶ Quarterly Form 941
- ▶ Quarterly WY Worker's Compensation / Unemployment
- ▶ Annual Form 940
- ▶ Annual Form W3 / W2 Filings
- ▶ Annual Form 1096 / 1099

Who We Serve

We work with proactive people who want to take control of their financial ambitions by partnering with our staff

BUSINESS NEEDS

ADVISORY SERVICES

Entity Structure Business
Advising/Planning

Business Best Practice

Income Strategies

Tax Efficiency Analysis

Succession Planning

Fringe Benefit Planning

MAINTENANCE SERVICES

Tax Preparation

Payroll

Accounting/Bookkeeping



Review / Questions