

TAX SEASON

SURVIVAL GUIDE



PARNELLACCOUNTINGSOLUTIONSLLC.COM



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DISCLAIMER
THIS DOCUMENT IS
PROVIDED FOR REFERENCE
PURPOSES ONLY AND DOES
NOT CONSTITUTE LEGAL OR
TAX ADVICE

WELCOME!

It's tax season, and it's a great time to get help!

The beginning of the year can be a busy time for small businesses, and finding the time to get prepared for tax filing can seem like a chore in itself. We understand the stress that might come with doing your taxes, and we are here to help. That is why we have put together this survival guide to help you and your business get on track and prepared for tax season.

REMINDER

April 18 is the tax filing deadline
in 2023





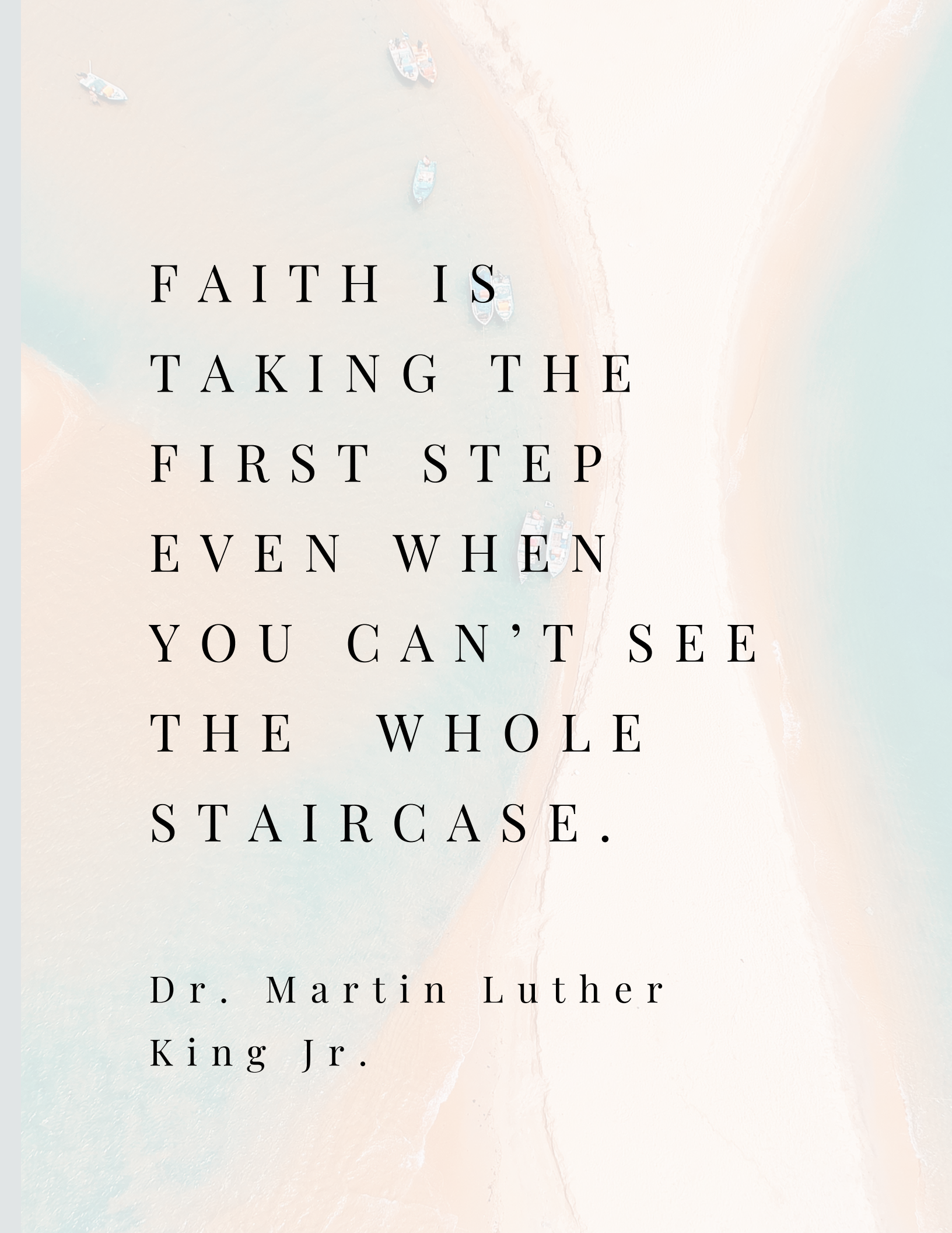
TAX SEASON SURVIVAL GUIDE

HELLO, I'M LATANZA

I am looking forward to being your key resource! You're growing a business, and it's exhausting to wear all of the hats. You know it is time to take your business finances seriously, but that sounds like a lot of work and a lot of time that you don't have.

Our team was built to help you grow and scale your business in a way that lets you keep doing what you love while leaving the numbers stuff to us.

Latanza Parnell

An aerial photograph of a sandy beach and shallow turquoise water. Several small, colorful boats are scattered in the water. The text is overlaid in a black, serif font, centered horizontally.

FAITH IS
TAKING THE
FIRST STEP
EVEN WHEN
YOU CAN'T SEE
THE WHOLE
STAIRCASE.

Dr. Martin Luther
King Jr.

TAX SEASON SURVIVAL GUIDE

01

TAX SEASON 2023 DEADLINES & TAX FORMS

2023 TAX SEASON DEADLINES

MARCH 15

BUSINESS TYPE: PARTNERSHIP

1065, U.S. Return of Partnership Income

MARCH 15

BUSINESS TYPE: MULTI-MEMBER LLC

1065, U.S. Return of Partnership Income

MARCH 15

BUSINESS TYPE: S-CORPORATION

1120S

1120S Sch. K-1

APRIL 18

BUSINESS TYPE: SOLE PROPRIETOR

1040, U.S. Individual Income Tax Return

Schedule C (Form 1040), Profit or Loss from Business

or Schedule C-EZ (Form 1040), Net Profit from Business

APRIL 18

BUSINESS TYPE: SINGLE MEMBER LLC

1040, U.S. Individual Income Tax Return


Schedule C (Form 1040), Profit or Loss from Business

APRIL 18

BUSINESS TYPE: CORPORATIONS

1120, U.S. Corporation Income Tax Return

TAX SEASON SURVIVAL GUIDE

A woman with dark hair, wearing a grey suit jacket over a white top and a pink bow tie, is smiling and pointing her right index finger upwards. She is standing against a plain white background.

02

GET ORGANIZED

GET ORGANIZED

01 **Notate the deadlines**

02 **Gather your business records**

03 **Schedule a tax meeting with
Parnell Accounting Solutions**

04 **Complete the 2022 tax
organizer**

GET ORGANIZED

05 Together we will review & sign your tax forms

06 Plan for your federal tax obligation (if applicable)

07 Request an extension/payment plan if needed

08 Securely store your submission for 7 years

A smiling woman with long dark hair is sitting at a desk. In front of her is a white laptop with a Dell logo. To the right of the laptop are a pair of glasses and a green plant. To the left is a pink object and a blue patterned object. The background is a light-colored wall with a framed picture.

03

TAX BUSINESS FORMS GUIDE

TAX BUSINESS FORMS GUIDE

FILING AS A SOLE PROPRIETOR?

Note that you're automatically treated as a sole proprietor if you don't elect another status. Whose included: Gig workers (ie Uber drivers, etc.), contractors or non employees, Form 1099 workers, etc.

BEFORE WE MOVE FORWARD YOU'LL NEED:

- Your SSN (Social Security Number)
- Your EIN (Employer Identification Number)—if you have one
- An income statement for the tax year - substitute form included in tax organizer
- Your balance sheet for the year - substitute form included in tax organizer
- Receipts or statements for any business purchases—including smaller items like food expenses and big-ticket items like equipment, cars, or buildings
- An inventory count and valuation (if you sell products)
- Mileage records (if applicable)

TAX BUSINESS FORMS GUIDE

FILING AS A C CORPORATION?

All business income will be taxed at the corporate rate. Keep in mind: Any dividends or salary you earn from your SMLLC will also be taxed as personal income on IRS Form 1040. For this reason, single member LLCs rarely elect to file as C corporations.

FILING AS AN S CORPORATION?

An S corporation is a pass-through entity, so you'll pay your personal tax rate on all business income, and you don't need to file self-employment tax like you normally would when filing as a sole prop. self-employment tax.

BEFORE YOU FILE AS AN S CORP YOU'LL NEED:

- General information about your business, including your date of incorporation and the date you elected S-corp status
- Your business activity code and your Employer Identification Number (EIN)
- A profit and loss statement and a balance sheet for your business
- Information about any payments you made to independent contractors totaling at least \$600 for the year (each of whom you should have sent a 1099 form)



FILING AS A SINGLE MEMBER LLC?

By default, your single member LLC is taxed as a sole proprietorship. In that case, the IRS treats your LLC as a disregarded entity. That means that, even though it's legally a separate entity from your person, you and your small business are one and the same for income tax purposes and file the same income tax return. Furthermore, personal and business components are submitted together.

However, you can also elect to file using the rules for a C corporation or an S corporation. Then you would need to complete a separate corporate income tax return.

If your tax situation feels overwhelming or confusing, there's no need to try and solve all your problems alone or all at once. We're here to help. To schedule your free initial consultation:

<https://calendly.com/latanza-parnello810/15min>

A smiling woman with glasses is talking on a mobile phone. She is wearing a grey blazer over a white shirt with a pink bow tie. She is sitting at a desk with a silver laptop in front of her. To the left of the laptop is a brown notebook, and to the right is a white computer mouse. The background is a plain, light-colored wall.

04

BOOKKEEPING CHECKLIST

BOOKKEEPING CHECKLIST

01 RECORD EVERY TRANSACTION.
Make sure you haven't forgotten to record any transactions on your books — even seemingly minor ones.

02 MAKE ADJUSTING JOURNAL ENTRIES
Some common adjustments you'll likely need to make are for depreciation and amortization.

03 SEPARATE PERSONAL AND BUSINESS EXPENSES
Not separating personal and can become a huge headache around tax time.

04 CHECK THAT TRANSACTIONS ARE CATEGORIZED CORRECTLY
Make sure that your transactions are in the right account or your taxable income might be incorrect.

05 RECONCILE YOUR BANK AND CREDIT CARD ACCOUNTS
Your bookkeeping isn't really done until you've checked it against what the bank says. Make sure your books match your bank records.



TAX SEASON SURVIVAL GUIDE

05

TAX PREPARATION CHECKLIST

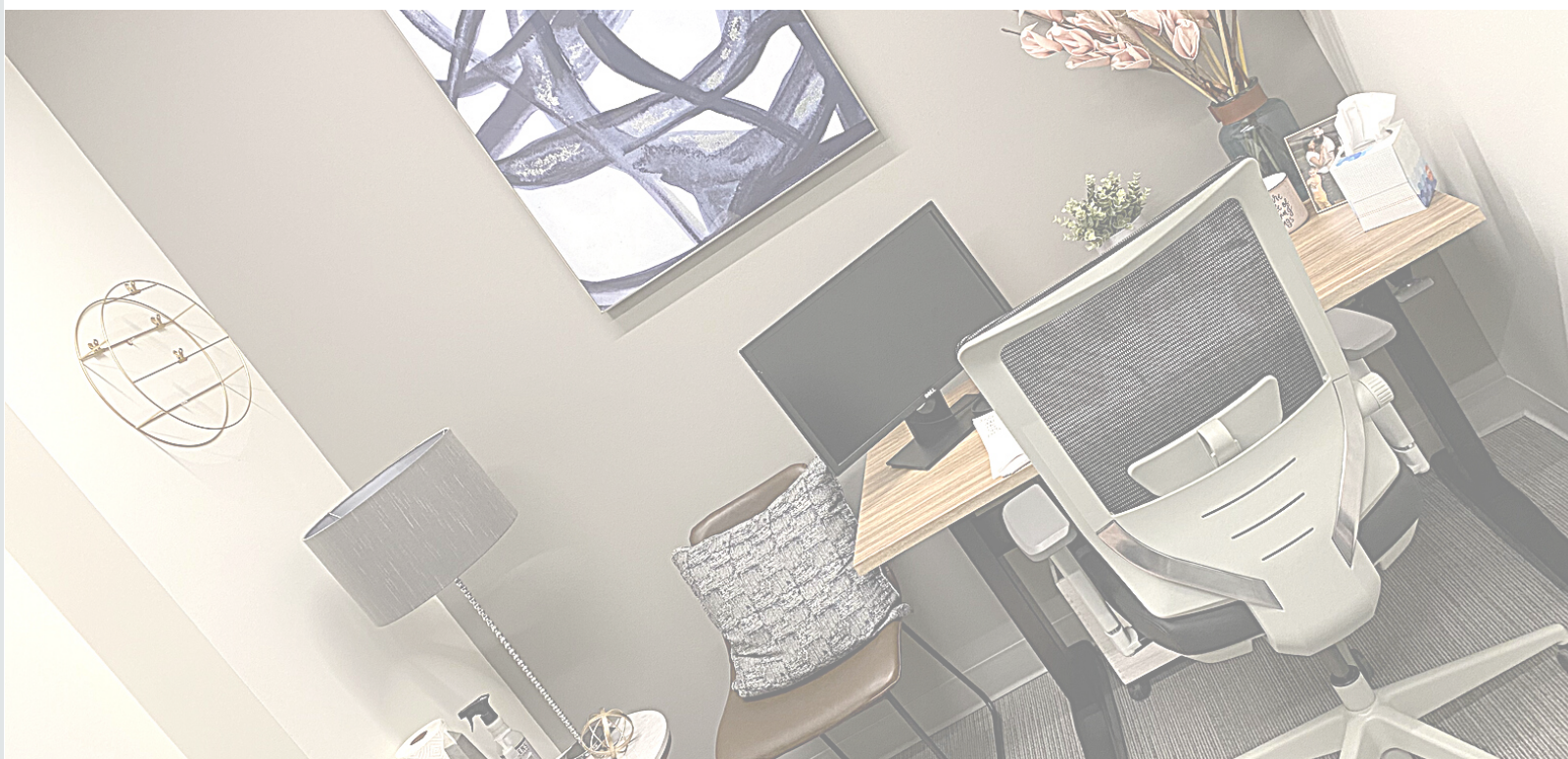
TAX PREPARATION CHECKLIST

- Your taxpayer identification number (EIN or SSN)
- Your business income statement
- Your balance sheet
- Receipts for all business purchases, including cash purchases
- Your business bank statements
- Your personal bank statements if you haven't yet opened a dedicated business bank account
- Credit card statements
- Payroll statements
- Your tax return from the previous year
- The amount paid in estimated tax payments throughout the year
- Any 1099 forms you have received or sent 1099 forms

TAX SEASON SURVIVAL GUIDE

06

TAX SEASON RESOURCES & PLANNERS



CHECK YOUR LIST TWICE

There are a few items in particular that you'll want to pay extra attention to. Take your time to get these numbers exactly right and ensure you have the documentation to support them.

01 BUSINESS MILEAGE

If you drive for business reasons, you can deduct that mileage. Be sure you're tracking mileage that directly relates to your business activities, not mixed or personal ones.

02 HOME OFFICE DEDUCTION

If you have a space in your home entirely (not partially) devoted to business, you can deduct the costs associated with that space. Be careful in how you determine this space, it's a common IRS trigger and can draw a tax audit.

03 TRAVEL DEDUCTIONS

If you travel for business, those expenses can be deducted from your business taxes. Be sure to separate any business or personal costs if your travels include both work and pleasure.

04 CHARITABLE CONTRIBUTION DEDUCTION

If your business has made charitable contributions for the year, if it makes sense to itemize, the contributions may be deducted. Again, be careful to check your records on these, as charitable contributions can be an IRS audit trigger.

DO'S & DONT'S

DO'S

- ✔ Organize your tax documents and store them in a secure location
- ✔ Prepare your tax return truthfully and rigorously
- ✔ File for an extension if you need one
- ✔ Ask for help as soon as possible

DONT'S

- ✘ Wait until the last minute to do your taxes
- ✘ Avoid filing because you can't pay your taxes
- ✘ Fill out a tax return with false information
- ✘ Guess at important deductions and filing requirements

If your tax situation feels overwhelming or confusing, there's no need to try and solve all your problems alone or all at once. We're here to help. To schedule your free initial consultation:

<https://calendly.com/latanza-parnello810/15min>

USE MY WEB PAGE

IRS.gov

Home Get Refund Status Refund Help

Refund Status

Get Refund Status Obtener Estado de Reembolso
Please enter the Tax Year, your Social Security Number, your Filing Status and the refund amount as shown on your tax return. See our [Filing Status](#) regarding our request for your personal information.

Tax Year
Select the tax year for which you are seeking refund status.
Example: The latest tax year is 2022. Tax year 2022 is January 1, 2022 through December 31, 2022.

2022 (Latest tax year)
 2021
 2020

Social Security Number
You must enter the SSN or IRS Individual Taxpayer Identification Number shown on your tax return.

Filing Status
Please select the Filing Status shown on your tax return.

Single
 Married-Filing Joint Return
 Married-Filing Separate Return
 Head of Household
 Qualifying Widow(er)

Refund Amount
You must enter the exact whole dollar Refund Amount shown on your tax return. Providing the exact whole dollar amount is essential to receiving the correct response.

IRS WHERE'S MY REFUND

In general, you can expect to get your tax refund 3-4 weeks after filing your return. You can check your IRS refund status in five minutes by using this tool.

VISIT SITE

IRS

Home / Tax Pros / Modernized e-File / Electronic Filing Options for Business and Self-Employed Taxpayers / E-filing Form 7004 (Application for Automatic Extension to File Certain Business Income Tax, Information, and Other)

E-filing Form 7004 (Application for Automatic Extension to File Certain Income Tax, Information, and Other)

More In Tax Pros

Form 7004 can be e-filed through the Modernized e-File (MeF) platform. All the returns shown on for an automatic extension of time to file from the due date of the return. See Form 7004 Instru pertaining to foreign corporations with no office or place of business in the United States, for domestic corporations and for certain partnerships.

The Form 7004 does not extend the time for payment of tax. Refer to the Form 7004 instruction information on payment of tax and balance due.

NEED AN EXTENSION (BUSINESS)?

If the tax deadline is approaching and you can't file on time, you can request an extension. To request an extension, complete and file IRS Form 7004 before the tax filing deadline.

VISIT SITE

IRS

Home / Forms and Instructions / About Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return

About Form 4868, Application for Auto Extension of Time to File U.S. Individual Income Tax Return

More In Forms and Instructions

A U.S. citizen or resident files this form to request an automatic extension of time to file a U.S. individual return.

Current Revision
[Form 4868 \(2021\)](#)

NEED AN EXTENSION (INDIVIDUAL)?

If your business activity is being reported on your personal tax return, you will want to use Form 4868. To request an extension, complete and file its before the tax filing deadline.

VISIT SITE

TAX SEASON SURVIVAL GUIDE

QUESTIONS TO ASK MY TAX PROFESSIONAL

QUESTION ONE

QUESTION TWO:

QUESTION THREE:

TAX SEASON SURVIVAL GUIDE

PLAN YOUR DAY

MORNING

AFTERNOON

TAX SEASON SURVIVAL GUIDE

PLAN YOUR WEEK

MONDAY

THURSDAY

TUESDAY

FRIDAY

WEDNESDAY

NOTES



LET'S CHAT!

I want you to sit back for a second and imagine how this feels...
**YOU'VE JUST FINISHED CONFIDENTLY FILLING OUT TAX FORMS,
AND YOU'VE FINALLY SUBMITTED YOUR 2022 TAX RETURN!**
That's right - **DONE!** Your books are done. Your taxes are filed. You sit back with a big sigh of relief and an amazing feeling of freedom, no more weight on your shoulders. If this is something you want, click below to schedule a call so we can make this happen for you!

[BOOK A CALL](#)



Know a fellow small business owner who could use a hand this tax season? Spread the love and share this guide. Let's connect on any of my social media pages.



Latanza Parnell