

SMALL BUSINESS GROUP

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CONTACT



NOVEMBER 2013

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- 11/15**
- Payroll tax deposit due if liability is over \$2500
- 11/20**
- Sales tax reports due
- 11/27-29**
- Office Closed for Thanksgiving



from the Staff of
Small Business Group

OFFICE HOURS:

Monday - Thursday
8 am to 5 pm

CLOSED FRIDAYS
(May through December)

Important Dates!

Semi-Weekly 941 Deposit Due Dates

Payroll Check Date:	Deposit is Due on:
Nov 1	Nov 6
Nov 2-5	Nov 8
Nov 6-8	Nov 14
Nov 9-12	Nov 15
Nov 13-15	Nov 20
Nov 16-19	Nov 22
Nov 20-22	Nov 27
Nov 23-26	Dec 2
Nov 27-29	Dec 4
Nov 30-Dec 3	Dec 6

Year End Payroll & 1099 Information



It's hard to believe it is time to get ready for "Year-End Payroll." All SBG payroll clients will receive their checklists in November. **If you use QuickBooks and SBG processes your payroll**, you will be asked to take a look at the Employee List in YOUR QuickBooks file and make sure that everyone's Social Security number and address is up to date — including your own!

You will also receive the Fringe Benefits Form for you to provide us with the information on personal use of corporate vehicles, health and/or life insurance and fringe benefits that need to be included on the W-2s.

Streamliner manual clients are asked to be sure they have up-to-date employee and 1099 sub-contractor information on hand and provide it to SBG with your year end payroll.

Please review your Vendor List to be sure you have the correct address and Taxpayer Identification Number for each vendor who will be receiving a 1099 for 2013. Also, be sure the box "Vendor eligible for 1099" on the Vendor Additional Information tab is marked. It is easier to get this done while you have the extra time before the end of the year.

Please note... If you need SBG to prepare your 1099s for 2013, you will need to let us know by 11/11/13 either by phone at 731-2221 or by email at sbg@smallbg.com.



CASH IN TAX SAVINGS FOR MONETARY GIFTS

When you donate money to a qualified charity by the end of the year, you can generally deduct the contribution .

Strategy: Stick to the letter of the law. In particular, be sure to comply with all the recordkeeping requirements in this area.

Here's the whole story: Currently, no deduction is allowed for any contribution of cash, check or other monetary gift unless you can show a bank record or similar record or a written communication from the charity. The written communication must indicate:

- The amount of the contribution
- The date the contribution was made
- The name of the charitable organization.

Therefore, you can't simply write off cash donations like amounts dropped into Salvation Army pots or the church plate. But contributions made via credit or debit card can be substantiated by your credit card or bank statement.

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5 TAX SAVERS FOR YOUR SMALL BUSINESS

The tax law changes in 2013 for small business owners aren't as monumental as those for individual taxpayers.

Alert: There are still plenty of tax saving opportunities for businesses at the end of the year. In fact, you might take advantage of several generous provisions included in the new American Taxpayer Relief Act (ATRA).

Here are five popular tax strategies you may employ by the end of 2013.

1. Load up on business equipment. Under ATRA, your maximum Section 179 deduction for qualified business property placed in service in 2013 is the lesser of a whopping \$500,000 or the taxable income from your business. The \$500,000 deduction begins to phase out on a dollar-for-dollar basis above a threshold of \$2 million.

However, the maximum dollar amount is scheduled to plummet to \$25,000 in 2014, with a \$200,000 phaseout threshold. So buy new equipment and start using it before the end of the year.

2. Get greedy about depreciation. The tax breaks for buying business property don't stop there. ATRA also reinstates the 50% "bonus depreciation" deduction for qualified business property, in addition to any available Section 179 deduction and regular depreciation deduction. For instance, your Section 179 deduction might otherwise be limited by your taxable income.

As with the higher Section 179 deduction, bonus depreciation generally ends after 2013, if not extended again by Congress. *Best advice:* Take advantage of this provision while you can.

3. Kick-start a new business. If you're embarking on a new business venture, you may choose to deduct up to \$5,000 of your qualified start-up expenses this year. Any excess is amortized

over 180 months. Start-up expenses include costs that would normally be deductible by an ongoing business entity.

It's important to make sure you're actually "open for business" before 2014. To qualify for the fast write-off, you must officially begin operations in 2013.

4. Salvage deductions for bad debts. In the current economic environment, you may have trouble collecting payment for products you've distributed or services you have performed. At least you can deduct worthless business receivables if (a) you included the receivables in taxable income under the accrual method of accounting and (b) you've made good-faith efforts to collect the past due amounts.

Remember to keep detailed records of all your collection activities. This documentation might be needed to support claims of worthlessness if the IRS challenges the deductions.

5. Be a fixer-upper. Generally, minor repairs made to your business building—like fixing a leaky faucet or replacing a broken window—are currently deductible. In contrast, the cost of capital improvements, such as adding a new wing to the building, are added to the basis and written off over time via depreciation deductions. The IRS released new regulations in 2013 clarifying the differences.

When it's sensible, make minor repairs at year-end to increase your current deduction. **Caution:** The IRS may say that repairs should be lumped in with a capital improvement cost if substantial work is done on the property at the same time.

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Cash in Tax Savings for Monetary Gifts

Under prior law, the tax law already required a written acknowledgment from a qualified charitable organization for charitable gifts of \$250 or more. The acknowledgment must be obtained by the earlier of the date your tax return is filed or the due date of the return (plus any extensions). It should include the amount of cash or the check; a description of any noncash property that was contributed; and the value of any goods or services provided.

For a "quid pro quo contribution" (i.e., a contribution made at least partially in exchange for goods or services) exceeding \$75, the charity must provide a "good faith estimate" of the goods and services received and the amount of payment exceeding the value of the benefit.

Tip: A written statement isn't required if you receive token goods, minimal services or intangible religious benefits in return.

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Easy Access to the SBG Portal 24/7!

You can now access your SBG Portal from www.smallbg.com.

Simply click [SBG Portal](#) on the home page. Enter your login & password for access to your SBG Portal.

For assistance with the Portal, contact Kewanna at 731-2221 or kgroman@smallbg.com.



GROW our Business

Do you KNOW an Entrepreneur?

Refer them to Small Business Group & they will receive a one-on-one consultation... FREE!

If they sign up with SBG, YOU could receive a credit on next year's client engagement.

Contact SBG at 731-2221