

Small Business Group

CONTACT

5/15

- Payroll tax deposit due for monthly depositors

5/20

- Sales tax reports due

5/25

- Office will be closed for Memorial Day

**From the Mail Box...**

Last chance at Roth IRA contribution?

Q I'm retiring later this year. Can I contribute to a Roth IRA in addition to my 401(k)?

A Probably. You're not prohibited from making contributions to both a 401(k) and a Roth in the same tax year. To qualify for Roth contributions, you must have earned income for the year of the contribution. However, the ability to contribute to a Roth phases out for high-income taxpayers. For 2015, the upper threshold is \$131,000 of modified adjusted gross (MAGI) for a single filer and \$193,000 of MAGI for a joint filer.

Tip: There's no age limit for Roth contributions, but you can no longer contribute to a traditional IRA when you reach age 70½.

Small Business Tax Strategies — May 2015



We said goodbye to our longtime employee, Betty Gurney, on April 29th as she retired from Small Business Group. Betty was with SBG for 16-1/2 years and was our 1040 tax specialist. Betty has seen many changes throughout her years with SBG and oh, the stories she could tell. We are going to miss her deeply!

*Enjoy your retirement,
Betty!*

OFFICE HOURS

Monday - Thursday
8 am to 5 pm

CLOSED FRIDAYS
(until January)

**Semi-Weekly 941
Deposit Due Dates**

Payroll Check Date:	Deposit is Due on:
------------------------	-----------------------

May 1	May 6
May 2-5	May 8
May 6-8	May 13
May 9-12	May 15
May 13-15	May 20
May 16-19	May 22
May 20-22	May 28
May 23-26	May 29
May 27-29	Jun 3
May 30-Jun 2	Jun 5



- **Have you moved?**
- **Got a new phone number?**
- **Changed your email address?**

If you answered YES, please notify SBG of these changes so we can update our files with your new information. We came across several this tax season who had moved, but never provided us the new address. Please contact Kewanna by phone at 731-2221 or by email to kgroman@smallbg.comcastbiz.net.



IRS Shows New Data for Entrepreneurs



The IRS recently issued its Winter 2015 Statistics of Income (SOI) Bulletin. (IRS Internal Release 2015-35, 2/27/15)

Alert: The new SOI Bulletin contains a wealth of valuable tax return income information relating to partnerships and sole proprietors. It generally covers the 2012 tax year.

The Winter SOI Bulletin was posted online. Starting with the Summer 2014 issue, SOI Bulletins are no longer published in printed form, due to budgetary restraints at the IRS.

Here are some of the key findings in the Bulletin.

Partnerships: The number of partnerships (and partners) in the United States continues to grow. In 2012, partnerships filed more than 3 million returns, comprised of more than 25 million partners. For the eleventh consecutive year, limited liability companies (LLCs) made up the majority of all partnerships. Almost half of all partnerships (49.15%) were in the real estate and leasing industries, as were more than a quarter of all partners (28.9%). The total net income increased from \$580.9 billion in 2011 to \$777.9 billion in 2012, or by more than one-third (33.9%).

Sole proprietors: For 2012, sole proprietors (excluding farmers) filed 23.6 million individual tax returns, an 0.5% increase from 2011. Profits increased by 7.9% from 2011 while total nonfarm sole proprietorship income jumped 6% (following a 3% increase in the prior year). Profits as a percentage of business income rose by 1.1% to 23.4%, the highest point in the past 25 years.

The industries showing the largest gains were the professional, science and technical services sectors, which increased by 5.7% to \$76.5 billion, comprising more than one-quarter of total profits (25.1%). Next in line were the health care and social assistance sectors, which accounted for 16.3% of total profits in 2012.

Online resource: To read the entire Winter 2015 SOI, visit www.irs.gov/uac/SOI-Tax-Stats-SOI-Bulletin:-Winter-2015.

A little foreign intrigue

The new SOI Bulletin also included some interesting information about foreign receipts of U.S. income for 2011 as follows:

Income reported on Form 1042-S, Foreign Person's U.S.-Source Income Subject to Withholding, totaled \$568 billion, a 1.9% increase from 2010.

- Withholding tax on U.S.-source income declined by 11.9% to \$8.9 billion.
- Almost 90% of all U.S. source income paid to foreign persons was exempt from withholding tax.
- Residual U.S.-source income subject to tax was withheld at an average rate of 15%.
- Interest payments made up the largest percentage of the total U.S.-source income reported on Form 1042-S in 2010 and 2011, accounting for almost half of the income (49.2%), a 7% increase from 2010.

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