



1 If I didn't fill out the form to change my business address within 60 days, what should I do?

Just do it now. We see that happening all the time. The IRS just wants to get it sooner rather than later. You're not going to get any penalties if you don't do it within 60 days. Do it as soon as possible so the IRS has your updated address on record.

2. Did the employee retention tax credit end in the third quarter of 2021? For companies that were started before 2020?

So for most organizations, that credit ended as of q3, there are special organizations are called like qualified startup recovery businesses that basically formed during the pandemic. And those may be eligible to also take you for potentially for the employee retention credit. But there's a bunch of requirements that they would have to meet in order to be eligible for that. But the vast majority of organizations, yes, it ended as of q3. There's been some bills floated in Congress to try to reinstate that for q4, maybe even extended into 2022. But so far, nothing has gotten any traction.

3. As a small business owner, how much time should they allocate to gathering all the documents?

Well, it is complicated, there's a lot of rules there, you first have to make sure that you're eligible. Contact Samantha Paxton, she can set you up and connect you with a tax professional. Your first 2 hours of advising are paid. And so what would happen then is we would have a quick call, we'll verify your eligibility there. And then see what it may look like for your organization. For some organizations, it may be very little and not worth the time and effort, honestly. But for others, it may be worth it, for sure. And so then we can kind of talk about what those next steps would be, you may have a third party payroll provider that you've actually worked with, and just put like a simple code into your payroll system, and then they can do it for you. So it may be something super easy like that. Or you may have something more complicated and need some more assistance. And it really just depends on what other stuff that you have going on. If you have a PPP loan, also, if you've got restaurant funds, and how many employees that you have, but yeah, the rules are very complicated and overwhelming, because the IRS website is not up to date.

4. If I purchased equipment or services from a state with no sales tax, am I responsible for determining the amount of sales tax to pay?

Yes, you are responsible for doing that the Department of Revenue will come after you if it's large enough. They do have mechanisms in place where they are working with out of state companies to make sure that you are paying your proper taxes.



5. Is there a deadline for applying for forgiveness?

Technically, no. And you don't have to ever apply for forgiveness if you don't want to, but just know that within what is it? I'm totally Drawing a Blank six months or I think it's six months after your covered period ends. So your covered period goes up to 24 weeks for your PPP loan starts the day that you got funding. But within six months after you're covered period ends, you are required to start making payments. And so that's kind of why people do sort of give themselves a timeline for when they have to go and apply for forgiveness.

6. Can I claim the ERC for my family owned a business?

Yes, but it depends on who is employed there. So if it's just you know, mom and dad that are employed there, then they may not be eligible for the ERC. And there are some specific rules, they're on ownership, and majority owners generally are not eligible for the ERC. And sometimes there's family attribution stuff that comes into play here. And so that's where we would meet with you and just kind of gather all the facts there and see, see what's happening.

7. Is there somewhere I can find a list of tax deductible business expenses?

Always look at the schedule C or you know, the form, whatever your business entity is, you can see the expenses that you can take that those are just some common expenses. You can also do a Google search or look on the TaxUSign resource page.

8. Can I can I write off car insurance for my business vehicle?

You can either do actual expenses where you keep all the receipts, or you do the standard mileage rate. Either or you will still need to track your mileage, right. So your beginning and the ending odometer. So with insurance, yes, insurance, repairs, maintenance, all of that oil changes. You can deduct. But like I said, you might want to work with a tax professional to see, is it better to do the actual expenses? Or should we do the standard mileage rate?

9. Are there due date extensions for state taxes or only federal taxes? And where can I find more information about filing other states?

Yes, states have their own due dates, which are not necessarily the same as the federal due dates. And some states have automatic extensions that you file your federal extension automatically does the state and others require a separate state exception. You're basically dealing with 51 different jurisdictions, if you count DC two, with 51, different set of rules, and it's extremely frustrating. If you have a state tax situation, definitely seek out professional help.



10. Do I need to keep track of anything on paper if I use a system like QuickBooks? What would you recommend?

QuickBooks, yes, you want to have that system. But you also want to keep your bank statements, your receipts, because in case I'm an audit, whether it's the state, or the federal IRS, they can audit you, and you need to show them, you know, it could be paper, or it could be digital, so you can put in the cloud or no on your driver, whatever is safe. I strongly recommend you keep copies of these and you can go to the TaxUSign resource page to see how long you should keep the documents, because the IRS can audit you the past three years. If there's fraud, they can audit you as long as you had your business. So yes, so keep records of receipts, bank statements, invoices, anything like sales, receipts, and things like that.

11. So then you can take a receipt and scan it and put it in the cloud or keep a copy of it. And that is sufficient enough. They don't have to keep boxes in boxes for perpetuity?

If you're keeping online bank statements, make sure you're actually taking those bank statements and downloading them to your own system, whether it be the cloud or you know, some backup hard drive or something like that. Because I know that a lot of banks and you know, online utility companies and stuff, they only keep those online statements for a period of time. And it may be an extra fee, or something to try to get, you know, the big statements from five years ago. So make sure that you just have a local copy actually downloaded rather than relying on that third party vendor to keep it for you.

12. Can I claim a loss for a job that I did and did not get paid for?

I think it just depends on what type of expenses to that they're trying to write off and be that they perform, you know, they invoice to a third party for \$1,000 for their services, but never got that \$1,000 paid, that that's the bad debt situation, if they thought that they were going to work and do carpet cleaning for somebody, and so they bought a new piece of equipment because it needed some special situation there or they bought some cleaning supplies. But then that person never actually fulfilled their services or something like that. And that would be more of just a business expense and fall within their normal business expense deduction limits.

13. Am I eligible for the ERC if I received funds through the paycheck Protection Program and the restaurant revitalization funds there?

So initially, there was an exception out there that if you got a PPP loan, you could not get the ERC. That has since been changed. And it's retroactive all the way back to when that first COVID Relief Bill happened in March of 2020. So that is a very important change, because there's a lot of misinformation still out there on the internet or articles that haven't been updated and things like that. So if you got a PPP loan, yes, that may still make you eligible for the ERC.