

Dear Client:

December 2018

Please find enclosed our Year-End Business Client Newsletter. We included some items that require your action as well as helpful tax tips and resources that may benefit you, so please take a few minutes to review them. Changes this year include the Wolfsohn client portal and “Right Signature” for e-file signature forms. E-file signature forms must be signed before we e-file the return. Also, please take notice of the change in filing deadlines for 1099/1096 (forms are now due to the IRS Jan 31<sup>st</sup>)

Your **Business Entity** return will be filed electronically **prior** to your personal return. **Sub S Corporate returns** are due **March 15, 2019**. Therefore, **please submit all 2018 documents** (i.e. *Business Bank Statements, Credit Card Statements, Payroll Records, any Asset purchases and Loan Documents etc.*) to us no later than **January 20, 2019**. Help us help you by getting these records to our office as soon as possible. If you don’t do so already, please try to send us these records throughout the course of the year so we can do yearend planning to avoid a stressful tax filing

It is mandatory that you e-file your Corporate return and have franchise taxes automatically withdrawn from your business checking account. We will need to discuss your return with you, after which you must sign/return the necessary forms so that we can e-file it on time. **WE WILL NOT EFILE YOUR RETURN WITHOUT THE SIGNED EFILE AUTHORIZATION!** Please **contact us now** to schedule your appointment.

**January 4th** is the deadline for NYS-1 New York State withholding tax. Then, the NYS Employee Wage payroll forms are due on January 15th. NYS payroll must be electronically filed and due to the current economic environment, **NYS no longer abates penalties on payroll.**

The number of IRS and State audits increase each year. With computer analytics, they are gearing up for increased compliance. You will need backup documentation for all deductions claimed on your return.

Your **2019 corporate engagement letter** was emailed to you via Right Signature on December 10<sup>th</sup> and/or our secure client portal. After a careful review of your 2018 records, we prepared a customized list of the services we will provide for your business along with the associated fees and what we will need from you. **Please sign and return as soon as possible.** 2019 work will not begin without it.

We are proud to offer complete advisory services as well as accounting, bookkeeping, tax preparation, financial consulting, and management services for small businesses at reasonable fees. We hope to be your first call concerning anything financial. Visit us on the web at [www.wolfsohn.biz](http://www.wolfsohn.biz) for updates, services and free bi-monthly newsletters.

We look forward to seeing you again this year and hope you will recommend our services to your family, friends, neighbors, co-workers, and partners.

Wishing you a Happy & Healthy New Year.

Jonathan Wolfsohn & Staff

## Our Additional Services

- Please see our free bimonthly email newsletter and website for tax-related ideas and updates. Visit us on Facebook, Twitter, Instagram, LinkedIn and Yelp!
- Are you planning to buy/lease property or incorporate a business? Do you need help with payroll processing, employee/owner benefits, or other financial strategies? We can help!
- We can review personal and business insurance policies - by appointment.
- The IRS may review your QuickBooks data during an audit. For a reasonable monthly/quarterly fee, we can write up/review your bank & credit card statements/QuickBooks during the year to ensure that you're taking advantage of all possible deductions and limiting your exposure.
- As a business benefit, we can arrange to do your **employees' tax returns** at your business location for a reduced rate. Call us for details!
- To ensure that you are taking advantage of all possible deductions, please consider allowing us to write up/review your bank & credit card statements/QuickBooks during the year for a reasonable monthly fee. The IRS is now requiring a copy of your QuickBooks and business records data during an audit.

- Wolfsohn Client Portal!! A secure environment where you can upload documents and obtain a copy of your completed tax returns. How it works step by step:
  - Copy new password
  - Click Wolfsohn link
  - Click "Portal Login" (top right)
  - Enter email
  - Paste copied password
  - Click "Login"
  - Create new password and save it for future reference
  - Click "submit"
  - Click on the document name
  - Click "download"

## Business Year-End Maneuvers

### Did you take advantage of our yearend review? Eliminate surprises!

1. Some business asset purchases get bonus deductions.
  2. Set up small business pension retirement plans, several options to choose before year end.
  3. Set up payroll bonuses.
  4. Mark down the mileage from your business auto on December 31<sup>st</sup>.
  5. Prepay deductible business related bills.
  6. Read our web page and tax tips newsletter for other ideas.
  7. Organize your records and make an early tax interview appointment with your designated Wolfsohn Accountant ASAP.
  8. Push income into next year.
  9. Leave 5 Checks open in case of any missed deductions
- Establish a Tax-favored retirement plan or a 401K. If your business doesn't already have a retirement plan, now might be the time to take the plunge. Current retirement plan rules allow for significant deductible contributions. For example, if you are self employed and set up a SEP-IRA, you can contribute up to 20% of your self-employment earnings, with a maximum contribution of \$55,000 for 2018. If you are employed by your own corporation, up to 25% of your salary can be contributed with a maximum contribution of \$55,000.
  - Take advantage of liberalized depreciation tax breaks. The TCJA included a number of very favorable changes to the depreciation tax rules, including 100% first-year bonus depreciation for qualifying assets and much more generous Section 179 deduction rules. Contact us for details on eligible assets and how your business can take advantage of these new changes.
  - Time business income and deductions. The traditional strategy of deferring income into next year while accelerating deductible expenditures into this year makes sense if you expect to be the same or lower tax bracket next year. Deferring income and accelerating deductions will, at a minimum, postpone part of your tax bill from 2018 to 2019.
  - Maximize the new deduction for pass-through business-income. The new deduction based on qualified business income (QBI) from pass-through entities (including sole proprietorships) was a key element of the TCJA. For the tax years beginning in 2018-2025 the deduction can be up to 20% of a pass-through entity owner's QBI, subject to restrictions that can apply at higher income levels and another restriction based on the owners taxable income. WE can help you put together strategies that give you the best QBI deduction this year.
  - Claim 100% gain exclusion for qualified small business stock. There is a 100% federal income tax gain exclusion privilege for eligible sales of qualified small business corporation (QSBC) stock that was acquired after September 27, 2010. QSBC shares must be held for more than 5 years to be eligible for the gain exclusion break. We will work with you to determine if you own qualifying shares.

## 2019 General Tax Calendar

### First Quarter (January, February, March)

Date	Tax Type	Description of payment/form due
Jan 4	Payroll	NYS-1 payment due, PROMPT TAX
Jan 15	Payroll	December Federal 941 payment due, EFTPS
Jan 15	Income	Personal Estimated Federal (1040ES) and NYS (IT2105) tax payments due
Jan 31	Income	NYS *LLC member payment due
Jan 31	Payroll	****Annual 1096 & 1099 forms due to recipients & due to IRS****
Jan 31	Payroll	****Annual W-2s, W-3s, NYS-45, 941s, 944s due****
Jan 31	Payroll	940 FUTA Tax (over \$500 use coupon)
Jan 31	Payroll	NJ-927 QTR
Jan 31	Payroll	4 <sup>th</sup> QTR Payroll Tax Returns 941, NYS45, NJ927 due (Oct, Nov, Dec)
Jan 15	Payroll	NYS employee wage form due
Feb 5	Payroll	NYS-1 payment due, PROMPT TAX
Feb 15	Payroll	January Federal 941 payment due, EFTPS
Mar 5	Payroll	NYS-1 payment due, PROMPT TAX
Mar 15	Payroll	February Federal 941 payment due, EFTPS
Mar 15	Income	Calendar Year "C" Corporations – Federal 1120, NYS CT3 or CT4, NYS CT3M/4M, NYC 3L due
Mar 15	Income	****"S" Corporations Federal 1120S & 1065 Partnerships (will be e-filed) ***NYS CT3S or CT4s (will be e-filed) ***NYC 3L due (will be e-filed)
Mar 20	Sales	4 <sup>th</sup> QTR NYS ST-100 or ST-102 due (Ltd. Jurisdiction (Dec, Jan, Feb))
Mar 20	Sales	Annual Sales Tax NYS ST-102A due

### Second Quarter (April, May, June)

Date	Tax Type	Description of payment/form due
Apr 3	Payroll	NYS-1 payment due, PROMPT TAX
Apr 15	Income	FBAR
Apr 15	Payroll	March Federal 941 payment due, EFTPS
Apr 15	Income	****PERSONAL INCOME TAX DUE****
Apr 30	Payroll	1 <sup>st</sup> QTR Payroll Tax Returns 941, NYS45, NJ927 due (Jan, Feb, Mar)
Apr 30	Income	NJ-927 QTR
May 3	Payroll	Semi-weekly 941 Deposit EFTPS
May 3	Payroll	NYS-1 payment due, PROMPT TAX
May 15	Payroll	April Federal 941 payment due, EFTPS
May 31	Payroll	Semi-Weekly 941 Deposit EFTPS
June 3	Real Estate	RPIE (Taxes)
June 5	Payroll	NYS-1 payment due, PROMPT TAX
Jun 17	Payroll	May Federal 941 payment due, EFTPS
Jun 17	Income	Personal Estimated Federal (1040ES) and NYS (IT2105) tax payments due
Jun 20	Sales	1 <sup>st</sup> QTR NYS ST-100 or ST-102 due (Ltd. Jurisdiction (Mar, Apr, May))
Jul 2	Payroll	Semi-Weekly 941 Deposit EFTPS
Jul 31	Payroll	NJ-927 QTR

## 2019 General Tax Calendar

### Third Quarter (July, August, September)

Date	Tax Type	Description of payment/form due
Jul 5	Payroll	NYS-1 payment due, PROMPT TAX
Jul 16	Payroll	June Federal 941 payment due, EFTPS
Jul 31	Payroll	Semi-Weekly 941 Deposit EFTPS
Jul 31	Payroll	2 <sup>nd</sup> QTR Payroll Tax Returns 941, NYS45, NJ927 due (Apr, May, June)
Jul 31	Payroll	NJ-927 QTR
Jul 31	Pension	IRS-5500
Aug 5	Payroll	NYS-1 payment due, PROMPT TAX
Aug 15	Payroll	July Federal 941 payment due, EFTPS
Aug 30	Payroll	Semi-Weekly 941 Deposit EFTPS
Sep 5	Payroll	NYS-1 payment due, PROMPT TAX
Sep 16	Income	Corporations on Extension, tax returns due
Sep 16	Income	Personal Estimated Federal (1040ES) and NYS (IT2105) tax payments due
Sep 16	Payroll	August Federal 941 payment due, EFTPS
Sep 20	Sales	2 <sup>nd</sup> QTR NYS ST-100 or ST-102 due (ltd. Jurisdiction (Jun, Jul, Aug))
Oct 1	Payroll	Semi-Weekly 941 Deposit EFTPS

### Fourth Quarter (October, November, December)

Date	Tax Type	Due
Oct 3	Payroll	NYS-1 payment due, PROMPT TAX
Oct 15	Payroll	September Federal 941 payment due, EFTPS
Oct 15	Income	Personal returns on Extension, tax returns due
Oct 31	Payroll	Semi-Weekly 941 Deposit EFTPS
Oct 31	Payroll	3 <sup>rd</sup> QTR Payroll Tax Returns 941, NYS45, NJ927 due (July, Aug, Sep)
Oct 31	Payroll	NJ-927 QTR
Nov 5	Payroll	NYS-1 payment due, PROMPT TAX
Nov 15	Payroll	October Federal 941 payment due, EFTPS
Dec 2	Payroll	Semi-Weekly 941 Deposit EFTPS
Dec 5	Payroll	NYS-1 payment due, PROMPT TAX
Dec 16	Payroll	November Federal 941 payment due, EFTPS
Dec 20	Sales	3 <sup>rd</sup> QTR NYS ST-100 or ST-102 due (ltd. Jurisdiction (Sep, Oct, Nov))
Jan 2	Payroll	Semi-Weekly 941 Deposit EFTPS
Jan 2	Income	Personal Estimated Federal and NYS tax payments due 1/15 but advise to pay inside the year

**\*\*Monthly deposit rule – Payroll with NYS withholding over \$700 has a 3 Day Rule (i.e.: due within 3 business days of payroll date)**

**\*\*NJ Corps must file on line for annual franchise fees by their NJ incorporation date.**

These dates are for guidance only. Real dates may be accelerated.



## VEHICLE BUSINESS USE CARD

YEAR/MAKE/MODEL \_\_\_\_\_

DEC 31ST ODOMETER READING \_\_\_\_\_

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1. Business Miles \_\_\_\_\_

2. Commuting Miles \_\_\_\_\_

3. Personal Miles \_\_\_\_\_

**TOTAL MILES (1+2+3)** \_\_\_\_\_

### OWNED

Total Cost \$ \_\_\_\_\_

(include tax, delivery & date if purchased this year or attach bill of sale)

### LEASED

Total Payments \$ \_\_\_\_\_

### EXPENSES FOR THIS AUTO ONLY

Gas \_\_\_\_\_

Repairs \_\_\_\_\_

Tires \_\_\_\_\_

Insurance \_\_\_\_\_

Wash/Wax \_\_\_\_\_

AAA \_\_\_\_\_

Registration \_\_\_\_\_



Use one card per car.  
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## RENTAL INCOME

Address \_\_\_\_\_

Business % of Property \_\_\_\_\_

Ownership % of Property \_\_\_\_\_

1. Rent Paid \_\_\_\_\_

2. Rent Paid \_\_\_\_\_

3. Rent Paid \_\_\_\_\_

**Total Rent** \_\_\_\_\_

### EXPENSES PAID BY OWNER

Mortgage Interest 1 \_\_\_\_\_

Mortgage Interest 2 \_\_\_\_\_

Real Estate Tax \_\_\_\_\_

Insurance \_\_\_\_\_

Electric \_\_\_\_\_

Gas/Oil \_\_\_\_\_

Other \_\_\_\_\_

Repairs to Tenants Space \_\_\_\_\_

Repairs to Common Space \_\_\_\_\_

**Don't Forget** to bring Closing Papers if Property was Purchased, Refinanced or Sold this year



Use one card per property.

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## Tax Appointment Checklist

Date: \_\_\_\_\_ Time: \_\_\_\_\_ Location: \_\_\_\_\_

### FOR APPOINTMENT CALL 516-887-7380

#### \*DON'T FORGET TO BRING:

- List of Questions
- Income Slips W-2's, 1099INT (Interest), 1099DIV (Dividends), 1099B (Stock Sales), 1099Misc, 1098T (Tuition), 1099G & 1099K
- "ACA" Affordable Health Care paperwork
- Buy Slips matching your stock sales "REALIZED GAINS & LOSSES 1099B" You can download your brokerage account transactions to excel using CSV (comma separated values)
- Estimates Paid – including date, check # and amount
- Receipts, checkbook and Credit Card **Expenditure Totals**
- (Write up and bring your checkbooks and PLEASE add up your receipts before appointment) Credit Card statements and **Yearend Summaries**
- Pension / Bank **Investment Statements**
- Blank Check for Routing Number** for Direct Deposits or auto withdraw payments
- Rental Write-Up** (Total all income & expenses by category)
- Business Write-Up** (Total all income & expenses by category)
- Business Vehicle Write-Up** (Total all expenses by category)
- Mortgage 1098 Interest /Real Estate Taxes & Year End Statements**
- Payment:** Check / Cash / Credit or Debit Card
- New/Old Property Closing Papers**
- Tuition & Student Loan 1098T & 1098E**