



February 2016

Self-Employment & Taxes: What forms to file

Ah, it's that time of year that many of us dread – tax season?!?!?

To make it a bit easier for you in supporting your Customers that are self-employed, here are 5 tips to pass on for what they want to be considering and where to go for more information:

1. **Filing Deadlines:** For personal taxes, the filing deadline is April 18, 2016. For Corporate taxes, the deadline is March 15, 2016. Refer to the [Corporations Tax Calendar](#) for more information.
2. **Sole Proprietors:** Customers who are doing business under their own name are considered a sole proprietor (not a corporation or an LLC). Accordingly, they will file what the IRS refers to as a [Schedule C](#), which reports *Profit or Loss from the Business*, along with their regular personal taxes ([Form 1040](#)).
3. **Limited Liability Corporation:** Customers who are operating as an LLC (Limited Liability Corporation) and are the only member of the business, can file a Schedule C, or file as a corporation on [Form 8832](#).
4. **An LLC with ≤ \$5,000 Expenses:** A simpler version of the Schedule C is the [Schedule C-EZ](#). This option can be filed for LLCs who have
 - \$5,000 in expenses or less
 - Do not deduct expenses for business use of the home
 - Use a cash method of accounting (versus show outstanding invoices on the books)
 - Did not have inventories or any employees
 - Did not have a net loss
5. **Corporation:** For Customers who are doing business as a “regular” or C corporation, they will file [Form 1120](#). For those who are classified as a “proprietor corporation” or S corporation, they will file [Form 1120-S](#).

Generally speaking, the only real mistake to be made when it comes to taxes is not filing them at all!

Beyond this (and thanks to the NHVR System [Bookkeeping Collaboration Agreement](#)), any VR Customer who has launched a business will have access to a professional bookkeeper. Encourage your Customer to seek their advice and the advice of a professional tax preparer. This will help to ensure that they are optimizing their tax situation and filing correctly.

For more information, visit: <http://www.buzvr.org/>

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