



YOUR SUCCESS IS OUR BUSINESS

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NORTH FLORIDA

CONTACT



OCTOBER 2012

Vol. XXXVI NO. 10



10/1

• If starting a new Simple Plan, it must be set up by this date.

10/15

• Payroll disks, files or reports due at SBG

10/15

• Payroll tax deposit due for monthly depositors
• **Deadline for 1040 Returns**

10/22

• Sales tax reports due

10/31

• Payroll tax returns due

Office Hours:

8 am to 5 pm
Monday - Thursday

Closed on Fridays

Important Dates!

Semi-Weekly 941 Deposit Due Dates

Payroll Check Date:	Deposit is Due on:
Oct 1-2	Oct 5
Oct 3-5	Oct 11
Oct 6-9	Oct 12
Oct 10-12	Oct 17
Oct 13-16	Oct 19
Oct 17-19	Oct 24
Oct 20-23	Oct 26
Oct 24-26	Oct 31
Oct 27-30	Nov 2
Oct 31-Nov 2	Nov 7

You should have received your third quarter "payroll worksheets" from Small Business Group either by email or in the mail.



3RD QUARTER PAYROLL DUE

QuickBooks users are asked to make a backup copy or a portable company file once you have reconciled through 9/30/12 and upload it to the SBG Portal using File Exchange and fax us your preprinted UCT-6 form. If you prefer, you can bring or mail us your USB stick.

Payrolls are processed on a first-in, first-out basis. Payrolls with missing information will not be processed until all information is received. The filing deadline is October 31st. Contact Kewanna at 731-2221 or kgroman@smallbg.com if you have any questions.



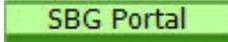
It's Time for Tax Planning!

If your engagement includes a TAX PLAN meeting, Charia will be contacting you soon to schedule your tax planning appointment. **If SBG does your Quarterly Payroll, please be sure to reconcile your QuickBooks file BEFORE sending it to us so that we can use your 3rd Qtr Payroll file for your Tax Planning reports.** If you didn't include Tax Planning in your engagement, but would like to schedule a session, please contact our office soon. Don't procrastinate — the calendar will fill up fast!

Easy Access to the SBG Portal 24/7!



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

Simply click  on the left side of the home page.

Enter your login and password for access to your SBG Portal.

If you need assistance using the SBG Portal, contact Kewanna at 731-2221 or kgroman@smallbg.com.



We have updated our webpage!

www.smallbg.com

In addition to adding a link to the SBG Portal, we have made a lot of other changes. **You can now find our monthly newsletters on our webpage**, as well as view a list of the services we offer. On our Staff page, we have included links to email our staff individually. For new clients, we have also provided more detailed directions to our office. We are adding sites to our Links page so, if you would like your website listed, send us an [email](mailto:kgroman@smallbg.com) with your webpage address and we will be happy to add you!

We will be using our webpage to let you know important information and news. So come browse our page to see what's going on at SBG!



PROGRAM HOME COMPUTERS FOR TAX BREAKS



If you operate a self-employed business from home, you may qualify for valuable tax-saving home office deductions. But using the computer in your home office for personal reasons could cost you the home office deductions.

Strategy: Buy a separate computer or laptop for personal use.

Here's the whole story: To qualify for home office deductions, a portion of your home must be used "regularly and exclusively" as:

1. Your principal place of business.
2. A place to meet or deal with customers, clients or patients in the normal course of business.

If you qualify, you can deduct expenses directly associated with your home office, like painting or repairs, in addition to a proportionate share of the home's expenses. This includes utilities, insurance, mortgage interest and property taxes as well as a depreciation deduction.

If you buy computer equipment for business use in a home office, the cost and related fees are deductible, but there are several special rules to consider.

Generally, depreciation deductions for a computer are limited if business use amounts to less than 50% of its overall use. First, accelerated depreciation isn't available. Second, you may have to recapture prior-year depreciation deductions in a year in which business use dips below the 50% mark. Third, you can't take advantage of the Section 179 deduction which can allow you to write off the entire cost of a newly acquired computer in Year One. (The maximum Section 179 allowance for tax years beginning in 2012 is \$139,000.)

Therefore, you could run into tax problems if you and other family members use the computer personally. What's more, you're jeopardizing your home office deductions because you are technically no longer using the office "exclusively" for business.

Fortunately, you can "buy your way out" of this predicament.

Example: You're self-employed and in the 35% tax bracket in 2012. You just bought a state-of-the-art computer system for \$5,000. If you use the system exclusively for business this year, you can write off 100% of the cost under Section 179.

But suppose your daughter intends to use the computer at night and the weekends for school. If your business use this year drops to 40% of the total use, the first-year straight-line deduction is limited to \$400, based on the depreciation tables. That's a tax savings of only \$140 (35% of \$400). And you're putting all your home office deductions at risk.

Suggestion: Use the expensive new computer system solely for business. Now you can write off the entire \$5,000 for a tax savings of \$1,750 (35% of \$5,000). Then you can buy a reasonably priced laptop for your daughter for, say, \$750, giving the family an extra device and \$1,000 in extra cash after counting the tax savings. And, you preserve your home office deductions.

Tip: Other special rules may apply to home computers used for investment and tax planning reasons (*see box below*).

Small Business Tax Strategies — October 2012



Do you have to log in when you log on?

Because computers are generally treated as "listed property," the IRS requires you to keep a contemporaneous diary or log of your use to determine the percentage constituting business use.

Strategy: If the computer is located at your regular business establishment, it isn't treated as listed property.

Usually, you will qualify for this exception if you're self-employed and the home office is your main business location. But a laptop you carry around to jobs is still treated as listed property.

Things can get even more complicated if you use a home computer or laptop for investment or tax planning. In this case, you may be able to deduct the related costs as miscellaneous expenses on your personal tax return. But you must keep detailed records of your investment and tax planning activities.



The Tax Ticker

Higher FUTA taxes on tap. The 6.0% tax under the Federal Unemployment Tax Act (FUTA) is offset by a 5.4% credit for an effective rate of 0.6%. But the credit is being reduced for employers in states that haven't repaid outstanding loans from the feds. Currently, this will result in higher FUTA taxes in over half the states, as follows:

- A 0.9% reduction of the credit in Indiana and South Carolina
- A 0.6% reduction of the credit in Alabama, Arkansas, California, Connecticut, **Florida**, Georgia, Illinois, Kentucky, Minnesota, Missouri, Nevada, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Virginia and Wisconsin
- A 0.3% reduction in Arizona, Colorado, Delaware, Kansas and Vermont.

The final figures will be announced after Nov. 10.

GROW our Business

Help Us

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