

2024 BUSINESS TAX ORGANIZER

CONTACT INFORMATION

Company Name: _____ **Contact Name:** _____
Email: _____ **Physical Address:** _____
Telephone: _____
Mailing Address: _____
(If different) _____

BUSINESS QUESTIONNAIRE

- | Yes | No | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Did the Company change location within the past year? |
| <input type="checkbox"/> | <input type="checkbox"/> | Did the Company issue 1099s this year? |
| <input type="checkbox"/> | <input type="checkbox"/> | Did the Company make estimated tax payments? |
| <input type="checkbox"/> | <input type="checkbox"/> | Does the Company provide health coverage to employees which was purchased through the SHOP? |
| <input type="checkbox"/> | <input type="checkbox"/> | Did the Company make any purchases subject to sales tax for which none was paid? |
| <input type="checkbox"/> | <input type="checkbox"/> | If yes, would you like us to file the use tax report? |
| <input type="checkbox"/> | <input type="checkbox"/> | Would you like us to review the reasonableness of S-corporation shareholder's salaries? |
| <input type="checkbox"/> | <input type="checkbox"/> | Did the Company carry \$10,000 in a foreign bank account for even one day during the year or own foreign assets (excluding brokerage account holdings)? <i>If yes, please attach a list and explain.</i> |
| <input type="checkbox"/> | <input type="checkbox"/> | Do your employees receive tips? If so, all tips must be reported as wages. (Employer Tip Credit) |
| <input type="checkbox"/> | <input type="checkbox"/> | Did the Company start a NEW employee retirement plan in 2024? (Pension Start-Up Credit) |
| <input type="checkbox"/> | <input type="checkbox"/> | Were any new employees certified for the Work Opportunity Tax Credit by the Ohio Department of Jobs and Family Services? |
| <input type="checkbox"/> | <input type="checkbox"/> | Did the Company experience any lawsuits or other legal matters for which liabilities may need to be recognized? |
| <input type="checkbox"/> | <input type="checkbox"/> | Did the Company make any political contributions? They are not deductible for tax purposes. |
| <input type="checkbox"/> | <input type="checkbox"/> | Did the Company engage in any bartering activity? You should have received a 1099-B. |
| <input type="checkbox"/> | <input type="checkbox"/> | Did the Company engage in any virtual or crypto currency (bitcoin) activity? If yes, please provide the transaction information. |

BUSINESS INFORMATION NEEDED

The following information is needed to record specific information on your tax return. We request these items be sent in.

- QUICKBOOKS DESKTOP USERS ONLY: Please send an accountant's copy with 12/31/24 Dividing Date
QB Version: _____ Password: _____ Transfer Password: _____
- Checking & Savings Accounts December bank statements if your accounts are not reconciled in software
- Loan and Credit Line Year-End Statements
- Bill of Sale for any vehicle purchases
- Any 1099s or 1098s issued to your business, especially for interest and barter activity
- City Allocation showing gross revenue and payroll by City. (For Companies that conduct work in various cities)
 Check this box if you would like some assistance with this process.
- Payroll Information
- Online access to payroll reports has been granted to Nichols & Company CPAs
- If you would rather send in your company payroll reports, we request the following:
- W-3
 - W-2 for each officer or shareholder
 - 940
 - Payroll Summary report that shows total earnings, deductions and employer taxes. See examples below:
ADP - Year to Date Wage Summary
Payentry - Payroll Summary Report & Payroll Register
HR Butler - Payroll Register for last day of the year
Paychex - Department Summary for last day of the year & Year to Date Report
Paycor - Quarterly Tax Reports & Quarterly Wage Tax Summary & Expanded YTD List
Doyle - Payroll Recap for the year
- Did you receive funds in 2024 related to the Employee Retention Tax Credit (ERTC):
 If yes, send in copies of any IRS Correspondence related to the credit.

Nichols & Company

CERTIFIED PUBLIC ACCOUNTANTS

HELPFUL TIPS FOR BUSINESS CLIENTS — PLEASE READ

- **Ohio's Small Business Income Deduction** will remain the same for 2024. This small business tax cut enables owners/investors to deduct 100% of the first \$250,000 in net business income from their Ohio taxable income.
- Important changes are coming to the **Ohio Commercial Activity Tax**. Beginning January 1, 2024, the CAT annual minimum tax is eliminated, and the exclusion amount is increased from \$1 million to \$3 million. For calendar year 2025 and thereafter, the exclusion amount is increased to \$6 million. Current Ohio Commercial Activity Tax account holders may need to cancel their account with an effective date of 12/31/23. More information can be found at https://tax.ohio.gov/business/ohio-business-taxes/commercial-activities/changes_to_ohios_commercial_activity_tax
- The **business mileage rate** for 2024 is 67 cents per mile from January 1, 2024 to December 31, 2024.
- The IRS will enforce a late filing penalty for **1099s** that are not issued by January 31st. Rules can be found at www.irs.gov/pub/irs-pdf/i1099gi.pdf
- **Partnership Supplemental Business Expenses:** We recommend that all partners have an agreement which states that the partner may personally deduct unreimbursed partnership expenses.
- As of January 1, 2024, the Financial Crimes Enforcement Network (FinCEN) is requiring many companies to file a **Beneficial Ownership Information** form. You can find more information at <https://www.fincen.gov/boi>. This must be filed by December 31st, 2024.
- We recommend that all business entities **meet with legal counsel annually**. Corporations should update the corporate minute book annually.
- **S-Corp Shareholders** are required to report their total family health insurance premiums (health, dental and vision) on their W-2 forms. *Please provide your payroll company with these amounts before closing your payroll for the year.*
- **Section 179** deduction limit is \$1,220,000. In addition, the **bonus depreciation** is 60%. We are happy to discuss the tax benefits of big-ticket purchases. Bonus depreciation is scheduled to drop to 40% for tax year 2025.
- **Meals:** As of January 1, 2023, the tax deductions for meal and entertainment expenses went back to pre-COVID amounts. Business meals with clients or customers, food and drinks for office staff, meals provided for employee meetings, and meals while traveling are deducted at 50%. Some meal deductions remain at 100%, for example food and beverages for company holiday parties or team-building events, as well as meals provided for the convenience of the employer, such as dinner expenses for employees who are working late. The following meals are considered non-deductible: lunch with a customer without a business purpose, club dues, and business entertainment. Expenses incurred at a club organized for business, pleasure, recreation, or other social purposes are non-deductible, even if related to an active trade or business.
- **1099-K** reporting threshold was reduced in 2024, so we expect to see more of these forms being mailed. Please include these with your tax information. [Read our blog post for more information.](#)

ARE YOU PREPARED FOR AN AUDIT?

We have noticed an uptick in IRS business audits. No one ever wants to go through an audit, but it can happen to any business. We represent our clients throughout the audit process. Here are some tips to increase the chance of a positive audit outcome:

- Perform monthly bank and credit card reconciliations and keep paper copies of all receipts, bank statements, and credit card statements.
- For meal receipts, document who you entertained and a description of the business purpose, making sure it ties back to your calendar.
- Keep a mileage log of business-related trips, noting who you visited, for what purpose, and how many miles were driven. This should be done for all passenger vehicles whether you report mileage or deduct actual expenses. This is especially true for corporations, which should be reimbursing annually for business miles. Consider using a mileage tracking app like MileIQ to help you track your miles and document the business purpose.
- Keep expense reports for all reimbursed expenses, even for owners.
- Report cash and bartering transactions.
- Classify workers properly between employees and sub-contractors.

LOOKING FOR A MORE PROACTIVE APPROACH?

Tax season is our busy time but making your life #LessTaxing is always our top priority. We welcome the opportunity to help our business clients improve their financial operations.

- **Tax planning** is a crucial part of running a business and often can be overlooked. We can assist in tax entity structure, retirement account planning, including tax projections.
- At the end of 2025 many provisions from the **Tax Cuts and Jobs Act (TCJA)** are set to expire. While many might be renewed, there are uncertainties. We will keep you updated as things develop. We are also available for individual planning related to these potential changes. [Read our blog post for more information.](#)
- We are available to provide customized **QuickBooks** training for your particular needs. For more information on this, call our office.
- We now offer both **Fractional CFO and Fractional HR services**. Please call our office for more information.
 - Our **Fractional CFO service** offers you access to experienced financial leadership without the need for a full-time CFO. This service is ideal for businesses looking to enhance their financial strategies, improve cash flow management, and optimize their financial performance.
 - Our **Fractional HR service** provides your business with HR expertise, helping you manage your workforce effectively and compliantly. We are also able to provide services including coaching, HR program development or assessment, and HR resource development.

- We are also able to provide business owners with **exit planning advising**. Done correctly, exit planning is key to evaluating and growing your business today in preparation for your eventual retirement and transition of your company. We encourage you to invest time considering your business's future, and how your business's financial success impacts you and your family's future. For more information on this, please call our office and ask for Greg Knight, CPA & CEPA.