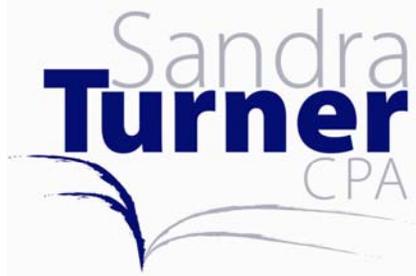


Keeping Dollars in Your Pocket – Taxes for Individual Artists and Administrators



Sandra A Turner, CPA

Agenda

- Accounting for your business
 - Choosing an entity
 - Software or other accounting
 - Maximizing deductions
 - Bartering
 - Donating your work
- Home office/studio
- Taxes – sales and income taxes
- Retirement savings



Accounting for Your Business



Choosing an Entity

- Sole Proprietor – Schedule C on tax return
- Partnership
- Limited Liability Company/Partnership (LLC)
- S - Corporation
- C – Corporation
- Disregarded Entities
- Arizona Corporation Commission registration/filing



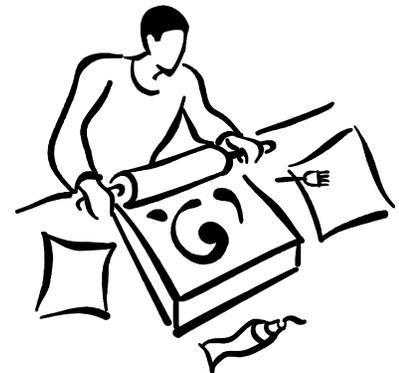
Software or Other Accounting

- Shoebox
- Drawer or filing cabinet
- Quicken
- Quickbooks
- Peachtree
- Other accounting software
- Cash or accrual basis
- Reporting requirements



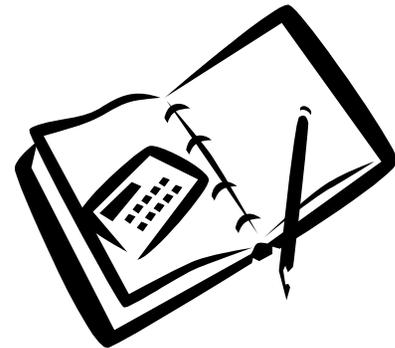
Maximizing Deductions

- Keep receipts and records
- Segregate business expenses
- Interest expenses on business expenses
- Travel expenses
- Auto expenses / mileage reimbursement
- Expensing equipment purchases
- Special rules for performing artists



Bartering

- Included in income and expenses
- Formal barter exchanges
- Keep good records
- May have a filing requirement 1099-B or 1009-Misc



Donating Your Work

- Value of expenditures
- No donation value for services/expertise
- Value of item to the charitable entity
- Receiving donated work – is it really a barter?



Other Items

- Hobby or business
- Tax ID number – do you need one?
- Use of contractors vs. employees
- Estate planning
- Gifting works



Home Office / Studio



Home Office / Studio

- Exclusive use of specific area or studio
- Regular use
- Principal place of business
- Separate structure
- Deduction limit
- Deductible expenses
 - Rent or interest on mortgage
 - Utilities
 - Insurance
 - Property taxes
 - Specific improvements or equipment/furniture

Taxes and Filings



Taxes and Filings

- Income Tax Returns
 - Self Employment Taxes
- Sales/Use Tax Returns
- Annual Az Corporation Commission report
- 1099-Misc forms
- Employees and payroll taxes
- Estimated tax payments

Retirement Savings



Retirement Savings

- Type of plans
 - IRA or Roth IRA
 - SEP
 - Simple IRA
 - 401(k) Plans
 - Safe harbor
 - 401(k)
 - Profit Sharing
 - Defined Benefit Plan

Resources

- Sandra Turner CPA PC - 480.695.7699
 - Sturner@controller-services.com
- IRS Publications
- Internal Revenue Service www.irs.org

