1. **Bria Hash: Empowering Black Women Entrepreneurs through Strategic Consulting - YouTube**

**URL:**

<https://www.youtube.com/watch?v=UOM9HIi2Qd4>

**Views and time:**

207 views / 5 months = 41.4VPM

**Keywords:**

No keywords

**Transcript:**

we really focus on one area of business and that is in establishing mature Integrity driven and intentional sales strategies and as we do that we're helping our business owners to really really create the revenue that they need to run businesses so a lot of the times we have business owners that are super passionate and they have a lot to give the world but it stops right there like they care a lot and it's like okay now we need some cash flow when you see people go from I thought this was just a

gift or I thought this was just a hunch or this is something that I always did for free and it turning into a mature business that can stand on its own two feet you feet you see a lot of like um freedom and uh stability come from business owners who really really need it black women sales Academy was created in 2021 we just recognized that sales and interactions are very cultural so when you are interacting with someone and you're making a transaction a lot of the times um it's a cultural transaction

people are buying from people they know and people are buying from people they trust um and helping specifically black women in business to break through those barriers so that they can reach their ideal customers but also recognizing that just because you're a black woman and owning a business that black women are not only your customers so like really really getting into different areas of marketability and reaching all the clients and customers that want to to purchase uh from you is really really important to our

work having businesses that are mature and structured and um using tools like bench are have been really essential to me in my work because in entrepreneurship it is so easy to continuously chase the next like I want bigger I want more Revenue I want this I want that and you know as a person who it comes quite naturally to generate Revenue and to make money being able to look and say okay I might have had you know this big quarter but where is the money now like how profitable is my company now I'm a very imperfect

entrepreneur um I'm really really good at making money when it needs to be made because that's just what I do that's my skill set but I'm not as strong in management so I think that being able to have that piece that you see in me now where it's like okay I'm not chasing the next thing it comes from good management um it comes from like having Seasons where it's like okay let me put some in the Coffer so I have room to explore I think that entrepreneurs chase the big moment so much and I think what they're

really chasing is the ability to breathe like making enough money to finally be able to breathe and that enough money does not necessarily mean seven figure a year for some business owners it doesn't necessarily mean an e figure year for certain business owners it just means managing what you have and you can't manage manage what you can't [Music] see so when I recognize I don't have who I need on my team one of my jobs is to figure out who needs to be on the team so that's when I started looking into

like a service that will be like kind of allinone where it will be streamlined and not necessarily like I'm pulling a bookkeeper here and then I'm getting the tax analyst here and then I'm going over here and then you know everybody's unaccountable to the pr say I needed like everything to be like streamlined so that I could put myself in the seat of accountability but so I also could have like a team that I could look at I call bench my financial team I don't look at you all as a teex stack I look

at you all as like okay these are my people and you know this is how we're moving in this moment and it it just seem so reasonable to me to to have everything in one [Music] place that's why I say we focus on maturity because it takes a really your mind to be like super accountable for your decisions and your actions and use your tools to help you to strategically decide to make different decisions if that's necessary um tools like bench are are really important especially when you're an active entrepreneurship like

you're really really running a business I'm talking about really really running a business you need to know your members [Music]

1. **Patty Dominguez Customer Story - YouTube**

**URL:**

<https://www.youtube.com/watch?v=Oc2aNNEHK8s>

**Views and time:**

104 views 5/months =21VPM

**Keywords:**

No keywords

**Transcript:**

[Music] it was a a beautiful transition that I wasn't even really fully aware of and it really came down to having somebody point it out to me to say listen you worked in Fortune 50 with different launches and product launches and big Brands and all of the exposure that you had why not bring that into what you're doing now and it wasn't until I was on an assignment I was doing consulting I looked at all these conversations and people were talking about positioning it was around the positioning of a cookie

and then I'm like oh my gosh all these people on this call for positioning of a cookie and we're not doing that for ourselves a solar preneur so I'm like that's going to be my Niche that's going to be where I really plant my flag on the importance of positioning to help my clients to set themselves apart to focus on differentiation [Music] it wasn't until I was in this whole informational program where I was uh exposed to this whole concept of really honoring your values and how what we do

and the way we operate is all in alignment with the values of of what we believe I recognize that my highest value is freedom of course I'm not going to be a good fit for corporate you know what I mean and it was just so interesting I'm like H that's why I'm so passionate about entrepreneurship I'm so passionate about working with the clients that I want to work with because I want to show them the way like you can have that freedom to hang out with your kid or go to that right soccer game if

you want because you're going to fit it in wherever you can and not really subject yourself to I I have to ask for time off like I just I always have trouble with that and so many other things and so yeah it wasn't until I had that coaching experience that really shaped so much of how I operate now right just because you're consciously competent at something doesn't mean you should be doing it and it's really taking you out of your zone of Genius my zone of Genius is not bookkeeping so my very first hire was

actually looking for someone who can help me with my bookkeeping that was my very first hire it was like probably the smartest thing I've ever done because then it's like now that that now that I have somebody helping me with this I can focus just talking to a friend of mine about that and I'm like cuz she's like oh who do you use for bookkeeping I said I I use bunch and I've used them for a long time I kind of stopped and the reason why I stopped is because I had met somebody at a networking event she's

like oh don't you want more of that personalized approach and this and that and so she was just talking about how she can help and anyway long story short it was a disastrous decision that I very much regret and I'm like H what a mistake I made and it's just apples and oranges because with bench that's all you all do and even if somebody let's say is on vacation there's somebody there to back that person up right if I want to click and grab a 15minute phone call with somebody I could just click on

their ply link and that ability is there so I took for granted all of this availability of just like having somebody always there versus going to the on stop shot kind of thing and you're going to one person sorry I'm on vacation I'm like uh what what do I do when I really need some help here came to understand the tremendous amount of value that I overlooked the first time so I went away for about a year and then I came back and I need help I need you to I need you guys to fix all this stuff that she did it was just a really bad

decision and I lost money out of it but rest assured I went back to bench you're like no problem we'll get you back to square one and it just a hard lesson to learn that I wish I hadn't made I mean I definitely um had Concepts around bookkeeping and finance but again it's not something I enjoyed doing so I just love the fact that I knew enough to know what to look for when initially I went to bench and then it's it's evolved uh and I love the fact that I could always ask questions I can I can text

and ask and if there even if there's a question on the p&l or the categorization so it's just really AES awesome to know that you have a resource that you can trust that's going to guide you in the right direction grass is not greener on the other side that's all I have to say just Outsource it it's not your zone of Genius let them do it cut that's their genius [Music] [Music]

1. **How Teaming Up with Bench and Side Made Business Easier for a Miami Real Estate Firm - YouTube**

**URL**

<https://www.youtube.com/watch?v=pOz_C3UXkmI>

**Views and time:**

119 views / 5 months = 24 views per month

**Keywords:**

No keywords

**Transcript:**

well both of us solo agents then started teams worked at the same company and then about two years ago joined forces and opened up uh chz realy um and now we have you know pretty much grown to about 15 agents we're kind of semi running a small little business with our teams but it was kind of taking out that like that agent hat and putting on a business owner hat um that I think a lot of people um kind of struggle with when they're trying to go from you know at least in our world and real estate world

you know an agent to an actually broker owner um and running a company you know yeah and and that's exactly what happened we had a very plug and play Operation um and this aligned quite nicely you know the bench software with what we were used to because we're constantly on the road and we're driving we needed something a little more streamlined easy uh but yeah we we started the company it's been open now roughly 2 [Music] years I was using QuickBooks he was using QuickBooks I was even using QuickBooks for my wife so I was running

multiple businesses on QuickBooks and it's good when you first start but after you get a little bit of uh backtracked and a little bit delayed on QuickBooks it just kind of starts piling up piling up piling up to the point where you kind of just like say forget this right um and then when I stumbled across you guys uh bench um it was just it was amazing to hear that someone not only had that kind of platform that journal entering but someone was behind um the other side of it actually helping us journal entry

and it was just kind of us having these one-on On's monthly meetings to kind of figure out certain things that couldn't be um journal entry from the ACC perspective um so for us that's so much easier for me to hop on a zoom with somebody kind of explain on certain line items and then for them to reconcile for the month or for for the year and then honestly it just takes me one day a month that I go in and I kind of just reconcile what needs to be done and then I'm I'm I'm good it all comes down to Dollars and

cents and when you're starting to see kind of the profit and loss that you have uh something that you thought you were making a profit on uh uh you realize it's not a profit and that helps us determine whether how much more marketing dollars we're going to throw at something or not that tool has helped us out understand um where we should be allocating some funds [Music] to we started with site about two years ago um again we're very techy we're very Plug and Play right so that's what site

helped us do it helped us to kind of build the business in a rapid um speed rather than I think so probably what took a year year and a half took us you know four to six months to actually get up and running and operating um and then we actually stumbled across bench early on in our business you guys were were partners with with side um so that was happy to see because there's a lot of really really good agents that became business owners and if you don't know what you don't know then you don't know

how to operate right thankfully I came from a world where I was running I was I was running a business before so I understood the importance of bom sheets um income statements and forecasting right um but most agents don't like as a realtor when I first started I just had a spreadsheet with my expenses I knew what my bottom line was I think bench or at least side with you guys is a perfect combination for some of those agents to kind of like kind of get started with that

1. **How Bench Helped Gaming Entrepreneur Stephen Works Manage His Multiple Income Streams - YouTube**

**URL:**

<https://www.youtube.com/watch?v=fRgIuJuCRV8>

**Views and time:**

347 views / 12 months = 29 views per month

**Keywords:**

No keywords

**Transcript:**

my business is technically called Spring Sims but I run a online stationary store called hello spring Co where I sell art prints digital stickers physical stickers I work with other companies if they need uh commission work on whatever they need I also do wholesaling now that I know what that is and how to do it properly and I also make online content on YouTube and twitch where I make gaming content around the [Music] Sims well since I was running my own business out of my own home I wanted to be able to have some extra help uh about

like two years ago I wanted to hire a bookkeeper so that way I can keep my finances pretty much separate like my personal and my business that way it's not all wrapped into one so I thought it was like the perfect opportunity and since I already had my business through ink file they had said oh you can use fresh books and then fresh books could use a bench for bookkeeping and that's how it kind of lined up where it made sense since I was already you know sending invoices to other companies to get paid and also I had other client

work and I had one of my friends work for me for a while so I had other things come in for them as well and then using bench alongside fresh books made the whole process seamless and [Music] easy the way I have used bench is that since I do have multiple streams of income they were able to do a lot of bookkeeping for me of like what was coming in what was going out especially how to categorize each and every trend transaction that I was making or I was getting from a certain company especially at a certain time month to

month and it made my books make more sense than I thought I did when I first was doing it by myself and they made it very clear and concised of how to prepare it all for tax season last year and it was very s and very easy and made all the stress kind of go away from figuring out where everything is at [Music] allowed me to figure out um what products I wanted to make it allowed me to kind of think more on the creative side rather than the whole like financial side of it all cuz I wasn't worried about the finances I was more

worried about having to manage my finances on top of trying to be creative at the same time um but it's gave it gave me a creative freedom basically when I first did bench I think back in like 20 21 I believe I had already had part of my bookkeeping kind of done and semi-connected but when I signed up for bench through fresh books I was able to connect all of my accounts and they managed everything else in between and when it came for tax time in 2022 it was like a a seamless process like you know the the argument my

bookkeeping they know all of my finances they know what's coming and coming out and it's all categorized and way easier that doing bench Taps was like the easiest option to choose from and it was already kind of added into the price of what I was already paying for so there was no extra cost which was a good thing for [Music] me I do like seeing the cash flow and also the data sheets of what it looks like for the for a different month versus another month or from one year to another year and seeing the difference

or the general increase between the two or the decrease between the two and figure out what worked then might not work now or how can I improve or what can I kind of keep to make a steady more income um for myself and my business and I think also communicating with my uh bookkeeper is what I honestly enjoy cuz they answer literally any question I might need answered I feel like they're like the One-Stop [Music] shop

1. **Violet Moon Jewelry Blossoms Under the Wing of Bench's Financial Guidance - YouTube**

**URL:**

<https://www.youtube.com/watch?v=ukM3OwDhQGY>

**Views and time:**

187 views / 12 months = 16 views per month

**Keywords:**

No keywords

**Transcript:**

[Music] I went to school at UC Santa Barbara for math um financial math and statistics and after I began working in that career I realized that corporate life wasn't for me and I looked into different ways I could be My Own Boss including yoga teacher training travel blogging and I remembered how much I loved arts and crafts as a kid so I signed up for a weekend long jewelry course in Santa Monica and after one weekend I was hooked and I went all in bought all the tools of which there are many and that was about six years ago

and um yeah I was able to leave my day job about 2 and a half years ago thanks to Tik Tok I've always felt strongly that I want to be in charge of my days and my time and not have to ask for time off so that's how I was able to fully delve into the entrepreneurial journey and along the way I listen to several um entrepreneurial podcasts Audi books um just trying to learn from experts as I go um because I had this like conventional background and what I kept hearing was do what lights you up and hire out as soon as you can for the

things that um are not your like genius your zone of Genius um so for me that includes bookkeeping for sure because even though I have some sort of financial background I'm not a professional so I want to make sure that I'm doing everything right in the irs's eyes and and leave that to the pros I started working with bench before I even quit my day job found bench through one of those entrepreneurial podcasts um I think it's called biz chicks and yeah she just helps women with um money and their financial um

situation so that was a question that she received and she said for small businesses she would recommend bench and you're the only company I looked at and it's been great it's been um over two years now that I've been working with bench so yeah the team that I work with is always available to answer any and all the questions that I have I've loved it it's been a seamless experience so working with bench has helped me look at my finances in a different way bench has always been available when I'm like

what is this like line item mean one thing that was pretty eye openening was seeing like where the money is going my business expenses like the cost of the metals and the gemstones and the courses I'm taking so that's been eye openening um just all good information to take in I recently invested in two welders for the permanent jewelry business and bench let me know that I'm able to like write that off over the next several years like a depreciation schedule so that was something that I didn't know about

before just knowing that these tools that are definitely investments will be taken into account for years to come one thing that comes to mind is when I was a little kid I wanted to be an artist but I was discouraged because of what other people adults um told me they said like oh like artists don't make any money so I went into this like steady career of being an actuary Finance um and did not love it so just trust yourself and know that you know what's best for [Music] you

1. **How Bench Helped This Social Media Entrepreneur Start Out Strong - YouTube**

**URL:**

<https://www.youtube.com/watch?v=OKvJriepjT0>

**Views and time:**

104 views / 12 months = 9 views per month

**Keywords:**

No keywords

**Transcript:**

[Music] I think I had the company name set aside for 15 years I just had no idea what it was that I was going to do um so I spent close to 10 years in uh the same company kind of progressively um gaining more responsibility in the marketing um field I ended up as the director of marketing at that company and my last year at that company as the fulltime director of marketing I was also freelancing about 20 hours a week at an agency heading up um social media for much much bigger businesses bigger Brands than I'd ever

worked at before and I think in that experience I really got kind of the agency bug I really enjoyed working on multiple projects and um just the fast-paced nature of all of it but I really found myself missing those small business Vibes again it's kind of what I'd always known it was my career for you know close to a decade and it just it kind of hit me one day out of nowhere I was like you know what this is it this is what I'm going to do if I can be balancing you know a full-time career and an additional 20 hours a week

There's no reason I can't use that same amount of time um and effort into doing my own thing so I gave a lot of notice to both companies that I was working for I think I gave like an 8-week notice just went all in I was working as a director of marketing we worked with a lot of outside agencies and some of them we had an amazing experience with but many of them I I felt like there was something lacking either either felt like I was getting spoken to in a condescending tone or we were treated a particular

type of way because our budget wasn't maybe as high as some of their other you know medium to large siiz businesses I just really felt like there was a better way to do it number one for us is always client satisfaction I that's absolutely what drives me is having happy clients getting to see them delighted at the work we do so I think that was really the driving force behind wanting to launch uh a social media agency in particular because I think it's it can be really hard to find great social media help especially with purely

organic social media um at an affordable price the last I would say five years at that business I was also um director of HR so I was also handling payroll and hiring and um you know policy manuals and all that kind of stuff so I do think that I got I you know I went into entrepreneurship understanding all of those things well enough to know that I couldn't do my accounting by myself I just know myself well enough to know that I'm not that organized on that end um and you know I can't file my taxes

myself either so I would say I think it was the first month that I opened that I reached out to bench because that was just from day one something I knew I needed and I knew um it just wasn't going to be something within my wheelhouse we use a ton of um stock assets we use a ton of graphic design tools Tech and resources like that are by far biggest expense it can be really easy for me to sign up for a bunch of different services or tools to try um so in that way it's really nice to be able to kind of look at those Cate categories

and and say okay this has kind of made a big job maybe it's time to you know dial down and and really adjust whereas if I think I was just looking at transactions on a bank statement that were coming in by day I wouldn't I wouldn't be able to see that bigger picture of what we're spending on certain things in certain [Music] categories get a lot of experience get as much experience as you can in whatever field you want to open your business in um so that you're sure that you're the expert we're all going to

have that impostor syndrome anyway um so I think arming yourself with a lot of experience will really go a long way um and plan ahead you know there's no reason that uh you can't spend 6 months a year five years planning the dream planning the business um I did so much planning beforehand and I really I owe a lot of My Success to that um because I didn't just quit my job one day and jump right into it without a plan um and I was able to open up day one knowing how clients were going to pay invoices and

um that bench was doing my accounting and you know this and that so um yeah you know make a plan make a formal business plan like they would tell you in any you know business or entrepreneurship class or course um even if you don't need financing act as if and and put that information together for yourself so you can give yourself um a good head start and the best chance of success [Music] possible

1. **Investing in Success with Bench and FreshBooks - YouTube**

**URL:**

<https://www.youtube.com/watch?v=kVKLrIgZUZw>

**Views and time:**

**145 views / 12 months = 12 views per month**

**Keywords:**

No keywords

**Transcript:**

[Music] my career actually started off in fashion and retail more on like the marketing and management side of um fashion and retail then realized I didn't want to be in the fashion and retail industry anymore um and was really interested in working in the entertainment industry and working with art activist um in the Bay Area and so from that that really just opened my eyes to issues around social justice it inspired me to support the Arts and support activism in this way through public relations and because I wasn't

seeing that happening um in the pr space um I also knew that PR agencies have a very toxic culture and as a woman of color I did not want to put myself through that kind of a work experience I decided as like I'm going to start my own business I'm going to start my own agency and so I did that in 2009 and granted like it was you know an up and down path and there were like side jobs I was doing and I was able to grow it into a place where it could be you know a full-time sustainable job and career so we've worked with a lot of like

creatives and entrepreneurs and Educators and arts organizations that are you know women l b poled and um doing really amazing work in their [Music] communities it all started with this podcast being boss and they were talking about fresh books and so I have to shout out fresh books because fresh books and bench had a partnership probably around 2015 is is when I think I started using fresh books there was a part where I was like okay I need more support in my accounting and you know wanting to transition from a so proprietor to an

LLC and so I was working with an accountant that was referred to me they ended up being this like horrible business person not only messed up my business a little bit but other people in our community and so was just a really awful experience of like working with an accountant that I thought I could trust and they weren't doing their job fresh books was like we have a partnership with bench for accounting and I was like oh my God this is what I [Music] need I looked at um you know QuickBooks too to see if that was an option I

wanted to pursue and I didn't like what they were showing me and offering and their customer service so I I've been with bench ever since and I've been really happy I felt more in control of actually knowing what was happening I didn't feel that way with the local bookkeeper with bench I just felt more like okay someone here is like has systems in place in policies and procedures and I know from my corporate you know retail side like those things do matter they're important um and when it comes to numbers and

taxes and all you don't want anyone messing that up for you and so I just felt like having actually a bigger company be in charge of making sure these processes are in place and there's trainings and all that um actually made me feel more comfortable just the dashboard being able to see like the graphs and the numbers all and that I felt like was a huge shift for me as a small business owner I was like oh wow I can see the business now I think if you're starting out like one of the best ways to actually be

successful and grow your business is to have a healthy um mindset and relationship with money and wealth don't do everything yourself like lean on um technology and tools um and people that can help you grow your [Music] business

1. **How NuMarket Partnered with Bench and Gusto to Support Crowdfunding for Restaurants - YouTube**

**URL:**

<https://www.youtube.com/watch?v=HdcJJLWGNcs>

**Views and time:**

121 views / 12 months = 10 views per month

**Keywords:**

No keywords

**Transcript:**

my name is Ross chanowski I'm the founder of New Market we are a funding tool for restaurants and other food and drink businesses and small businesses everywhere New Market was founded in the pandemic I saw a lot of my friends who were in the food and drink space would have lines down the block people queuing up for hours but they would walk into a bank or they would walk into another financing institution and wouldn't be able to get any funding or closing that Gap and so New Market is a great way for

everyone to be part of that support and really fundamental way in the financing of those businesses what we do at New Market is provide an opportunity for even more resiliency from some of the most resilient people in the world right now which are small business owners we're a small But Mighty team we're in Houston and New York in Boston a little bit all over the place and with the distributed Workforce and a lot of change because the pandemic it's a challenge hiring people different states tools like Gusto that Ena me to have a

team and A team that can do all of the amazing things that we do now has changed everything as our business has grown so is the complexity of our accounting bench has been amazing instead of waking up every morning wondering where are the books you can just go to bench and say okay here are my books when I talk to people about both Gusto and bench I always ask the question is your payroll is your hiring process or are your books and accounting a headache right now and if the answer is yes you should look to both Gusto and

bench they are the antistress tool for business owners who get stressed by some of the administrative things

1. **From Financial Crisis to Success: Steve Schmidt's Bench Accounting Story - YouTube**

**URL:**

<https://www.youtube.com/watch?v=yAjA8G5hzdM>

**Views and time:**

**230 views / 12 months = 19 views per month**

**Keywords:**

No keywords

**Transcript:**

[Music] so magnetic is a company where I I believe that content is the the focus of everything on sales and sales hasn't really gotten a lot of attention from content we thought of content with marketing um I grew the company titled my previous company from zero to we did 8 and half million in just 18 months all off of LinkedIn posting or organic content answering questions people might have about that um and so they always say timing is one of those things and and for me I work with Founders and CEOs of early to mid-stage service companies

[Music] usually for me it was two things I had heard bench's name before and so I'm like I should go check it out and then I just went to the website and I was like even the way that they said it like for solopreneurs creators like I was like okay then they would understand the things I'm talking about where if I call QuickBooks and I'm like hey like I'm going to buy this camera and this light and this da D I got to go on this trip like is this something I could write off they' be like what are you talking

about like but you guys understand at least I think that world lot more of like you are the accounting firm of the future that speaks like us you have a the ability to chat with your accounting team in your feed doesn't exist anywhere else like you got a chat bot and they get back to you and just to see that communication thread and then remind you when you need to get stuff in knowing you're busy and not like reprimanding you for it just being like hey this is important Steve like we got to get this

it just reminds you like oh yeah I got to get [Music] that with bench I'm able to get a really good forecast of reality and that helps a ton um a business like me I do need to bring contractors in and I do need to predict cash flow and a lot of that you might just think well I just signed up one new client like it's 10K a month well what is that going to look like in 6 months when those contracts run out and and now what does attrition look like and it gives you a good view of near near term as well as what it might

look like in 3 to 6 to 9 months and and honestly it got me excited cuz I was like wait although I'm not really wanting to grow if I chose to grow in the next 12 months um it could become very profitable without adding a lot of overhead therefore you know making the right decisions over time become a lot more appealing to me where last time my biggest concern with a payroll of $460,000 every month was to get their invoices paid on time by my clients because our net margin was only 14% six clients didn't pay we were making

nothing because people pay at different times because people leave you having an accounting from like bench to not just just do the books but be a resource I was given a resource for my ERC credit that was you know left in pending didn't give me the answer I wanted but gave me a very good and accurate answer as to why I hadn't received $40,000 and nobody was able to answer that until you guys gave me a partner who just called me out of the kindness of their heart texted me he said call me you get a second said

hey I know you got a question about this there's one of three reasons this is happening which one does it sound like I said oh it's number three goes there you [Music] go I I just don't worry about it anymore cuz I know if it's something I need to be thinking about I will be contacted by the team and I don't have to worry if I did it right if I did it wrong they will let me know and they will fix it and make it right and so knowing that I want to remain mean and I don't want to hire the local accounting firm because I've

been down that path I've spent 10 times more to get 10 times less the results of of quantity you start to do that business and you go man those are the relationships why it matters so much to me because if I had all Partners like bench life would be great like I never really have to [Music] worry always look for the people who have the same value system that you do and it does not mean that I have the best values in the world it just means like I think and feel and walk and talk probably a lot like how bench runs their

business and so it aligned with how I think I move fast I make mistakes I don't want to be made to feel guilty because I made a mistake they just clean it up they move fast they know that that's what you do and they don't they don't make you feel less than cuz you can't do it everything just feels very timely and anytime I've had a question I will say the other part is um they work on the channel you want to whether it's phone email or text um they don't over Zoom you and so also find Partners who

are willing to pick up the phone um cuz at first I was like giving to the bench team CU I'm like why do you guys always have phone calls like I'm so used to zoom I'm like trust me this is great they're like oh we can do that if you want I'm like no I don't want to actually this is this is awesome like I don't want to look at anybody for a screen for a half hour again so just like they're willing to be um agile even when they get bigger is a good sign that they're going to be a good partner for a

long [Applause] [Music] time

1. **How Bench Helped Natasha Eubanks Make a Mark in the World of Black Entertainment Blogging - YouTube**

**URL:**

<https://www.youtube.com/watch?v=HbU-caaLCHM>

**Views and time:**

**101 views / 12 months = 8 views per month**

**Keywords:**

No keywords

**Transcript:**

[Music] I founded um young black and faas it's when I was in actually I graduated college but I was in between waiting for law school to start and I was working a job as well as interning for um the attorney general for the State of Texas and I just was bored I Lov I've always loved celebrity entertainment news at the time T boys were the only way we could get entertainment news and I came across something called a Blog at that time and I was upset because they were like posting things every day but I

noticed that um they were only talking about celebrities that didn't look like me and I knew that there were black celebrities and black Hollywood out there I don't know what it was but something about it was just like well maybe I could do it myself and so I started just Googling and like finding random information online started to find Paparazzi images and I was like this is a whole new world but at the time blogger.

com was just a free blogging web software or whatever and I created like CSS I use my limited skills of like computer science to make a website and taught myself basic coding and basically looked at their source code and replicated it to see how each line worked and so I would just do it myself I would put in every code every line of code and see oh that does this that does this and I just created my own website and did the same thing I just flipped it but for black celebrities [Music] instead I think when I got offered money to talk about a movie and I'm like

that's a thing like I watch movies all day I talk about movies all day y'all about to pay me like $10,000 to talk about a movie on my website cool um I knew then that there was if I wasn't putting any effort into this and these things were just flying at me then maybe if I actually like took it seriously I could get even more [Applause] if it's something you're truly passionate about and you have to understand you have to be passionate about it because there's going to be most days you're going to want to quit

you know it's just it's hard you know running a business and doing this as well so the only thing that gets you through is because you see what you're bringing to the field like even though it's an inundated and like very it's a wild wild west type field if you can see like what value you're bringing to do it that if you left you don't feel like it would still be there then you should do [Music] it a lot of this has always been bootstrapping it's always been learning on the go it does feel like you're

always trying to make sure you set money aside to bring in the expert on this and bring in the expert on that but sometimes it's not an expert and sometimes you don't even have enough money to do that so it is a constant battle in you in the finances and resources you have to continue to be productive but you also have to grow and growing takes even more money and I think that's been the biggest lesson for me is not necessarily being scared to spend money to grow and I think that's where for me like making sure you have a

professional bookkeeper that was not on my to-do list of things to to put money into there's too many other things that affect you on a day day to-day basis that you would much rather spend your money on instead of you trying to bootstrap it and do it yourself at the last minute if you have it done professionally you can not only see the money you're you're missing because people haven't paid you maybe sometimes you're double paying things you're seeing things that you forgot w't

autopay these are all things that professional bookkeepers like when I say fine to comb it's fine to comb so being able to just have a goto like already have it done cuz it's being done on a constant monthly basis and then at the end of the year your bookkeeper does it all you know puts it all into one package and now you have a place to just go immediately reference it grab it and turn it in so that you don't miss deadlines um and it's done right you know you feel like it's been checked and

double check by professionals so it's just good to have someone that is so knowledgeable to do these things for you and to guide you along the way [Music] [Applause]

1. **Navigating Growth: Kahl Orr's Rise and the Role of Bench in Scaling Success - YouTube**

**URL:**

<https://www.youtube.com/watch?v=hHLt7F8Z8Lw>

**Views and time:**

114 views / 12 months = 9.5 views per month

**Keywords:**

No keywords

**Transcript:**

[Music] foreign years back our Focus was predominantly on building applications both web applications and mobile applications which is very much Project based work as we've grown we've expanded our service offering to include more of the marketing services so this year what we're doing is we're actually going to be building and implementing our own client portal to kind of streamline the delivery of our marketing campaign services our goals are related to streamlining the delivery of our marketing services this year and kind of

eliminate some bottlenecks and things that have been causing us headaches in years prior [Music] thank you we subscribe to many services and our our finances are kind of all over the place um so having bench to kind of consolidate all of our accounts and handle that uh upfront bookkeeping has really provided a ton of value since we last connected I'd say we're probably saving twice as much time just because the number of entries has more than doubled I think the big value for me is it just gives me a lot of confidence

going into discussions with our financial advisor and our CPA whenever we're either dealing with a tax season or making a determination on what our finances are looking like and what we can invest in [Music] bench has been really instrumental in helping us track our cash flow again because of the ebb and flow nature of our business it's very important that we kind of keep track of our anticipated expenses many of our campaigns are structured in six or twelve month increments many of our projects are either three to six months and being

able to forecast our expenses and kind of keep track of what each project has cost and kind of help us calculate that profitability per project has enabled us to forecast more accurately reports were able to extract from bench again kind of allows us to consolidate everything into one View and get a good idea of what we're spending on and where we might be able to either cut costs or optimize our spend Empower your people with the tools and information they need to do what they're good at and kind of stick to what you're

good at which is running the business [Music] thank you [Music]

1. **How Trevor Sheffield Streamlined His Business Operations with Bench and FreshBooks - YouTube**

**URL:**

<https://www.youtube.com/watch?v=4hvQfrRKzp4>

**Views and time:**

**205 views / 12 months = 17.08 views per month**

**Keywords:**

No keywords

**Transcript:**

[Music] foreign is pretty much working with small businesses on doing their visual advertising across you know primarily Google whether it's Google ads or doing search engine optimization you know SEO um I don't really dabble in social media at all but yeah my primary focus is just small businesses and doing digital advertising [Music] started with freshbooks first and since I'm a technology person I spent a lot of time evaluating my options because I knew from my background and like a digital operations position at a

large corporation that I didn't want to spend a lot of time switching back and forth between Services because there's a lot of lost energy and time and money and doing that so for me it was like I really wanted to start off on a strong Foundation one point they sent me an email saying you know hey we've opened up this integration in the bench we're a partner of ours and that got my attention and I was like well let me check this out because like I knew that accounting was really important and

make sure that my books were in order and it's honestly personally something that I just do not like I don't want to spend time on it it was something I was very eager to just Outsource and be like I will gladly pay someone a reasonable sum to just make sure my books are good as soon as I could I immediately jumped on bench and I was like okay I've got six months of like back books that needed to get done please help me with that and and they did that and help me get ready for everything in order for

taxes [Music] I wanted that peace of mind of being like I can just hand this off and not have to worry about it you know um and so that was the main thing and that has been the case ever since like every once in a while you know they ask me questions like hey is this um you know how should this be classified or whatever um but I love that it was all online like I didn't want to have to deal with going to somebody in person I didn't want to have to deal with uh phone calls and meetings and all that kind of stuff

it was all just like a live chat interaction of course I could schedule a meeting if I wanted to but for me it was just the the Simplicity and the Streamline like digital process of everything um that really failed to me [Music] one thing that's really useful to me is the p l right so like pricing is such a critical part of what I do initially I began as just like well here is what my hourly rate was at my previous employer and as time has gone on I've learned a lot more about how well if I reference my p l data

which is accurate because I have good bookkeepers that are staying on top of it every month then I can look at that from like a monthly quarterly an annual perspective with this information I can now forecast and be like well if I want to well a do I need to change my pricing and have that based off of actual expenses and then build in profits and any like future planning like oh I want to add in this additional service or I want to hire somebody or I want to do this other thing then that for me is so pretty cool

[Music]

1. **How Bench Helped Transform Taylor Tieman's Legal Practice - YouTube**

**URL:**

<https://www.youtube.com/watch?v=T2rbDgbxK9U>

**Views and time:**

143 views / 12 months = 11.92 views per month

**Keywords:**

No keywords

**Transcript:**

[Music] foreign college so I just really love that entire area so I just ended up opening my own law firm in 2019 and to hope for the best hope that I'd be able to find clients and work on things I wanted to work on and it and it did work out it just really loved everything Communications related like every class I took was social media something so that has been really cool to see how working with social media especially for the marketing side for the business and really enjoying that has been extremely helpful in running a business that is

that happens to be a law firm at the same time [Music] as I thought of starting my own Farm I was thinking about like okay who the heck are we gonna help and represent and I just it kind of came to me like maybe we can help this community of business owners female business owners um and around the same time I had a friend who was a Pilates instructor who was opening up at Pilates studio and we had some conversations and the questions she was asking me like she was a little further along in the point that I had

thought like maybe she already talked to a lawyer and then right then during that conversation I realized like yes we have the legal background and it's very comfortable for us but for business owners especially female business owners like approaching the legal stuff isn't always the most fun thing to do and I saw a really cool opportunity to be able to just be like the middle person of legal protection and and business owners being able to kind of translate all the all the legal stuff in a way that's a

little bit more approachable foreign ly enjoy that and I realized I wasn't taking enough time and devoting enough time to just like properly categorizing expenses like I had never done that before so the first round I tried it myself and then I kind of continue to try it myself and just was like this is I'm spending way too much time being miserable doing this and luckily I found bench I think I heard about bench through um an attorney friend of mine who also uses bench and you know tried you guys out it was amazing I would like could

just hand over my documentation and like I knew it was handled so that was such a relief and it continues to be just like so much of a Time Saver that I don't have to spend a lot of time looking at that stuff [Music] the the way that things are categorized on the dashboard like I had never seen or knew what like a profit and loss statement was but even just having that access to it when I talked to other business owners and were trying to maybe strategize about like looking at certain things the lingo of at least knowing

what people are talking about I'm not an expert yet but knowing like what the heck people are talking about when they want a p l statement expenses in general like categorizing those I had no idea what those things were so it's also been educational just being able to like look at the dashboard and interact with the with your professionals too thank you I spent so much time in my first year just trying to categorize things and like I use Excel that Excel is not my the thing I love to do and I'm not

amazing at it so having bench handle like all of that for me to just like go look over um and review is is so much so much better I saved so much time and I'm not like crying over accounting related things anymore foreign [Music]

1. **Kamila Gorina Shares How Bench Accounting Transformed Her Business Financials and Boosted Growth - YouTube**

**URL:**

<https://www.youtube.com/watch?v=Vk5LFX6GG6o>

**Views and time:**

**163 views / 12 months = 13.58 views per month**

**Keywords:**

No keywords

**Transcript:**

[Music] foreign I've been doing like marketing coaching since 2014 I actually started as a personal brand in the beginnings it was just kind of me and trying to figure out where I fit into this industry and how I can use my skill set really to help clients and I decided that I didn't want to have a company that's just reliant on my name where people are expecting to like always hear from me and it's like I'm the main thing the main person that they're paying for if you will so I I saw that as an opportunity to basically

create something that was bigger than just me so it's it's more about the idea and the passion that entrepreneurs get to have when it comes to building their business and being able to really specifically actually integrate systems and the essential foundations to be able to generate more sales or leads when it comes to their businesses and for me the heart has always been very important around yeah just having the passion and having the the drive for doing it I think is really essential and also doing it within with

like Integrity which is a huge thing for me and my clients as well [Music] for me it was just a lot of trial and error I've invested a lot into other coaches a lot of Consultants a lot of programs and I like some things about certain ones and others I didn't and through all of that I basically was able to start identifying like my Approach and my opinions around what actually works and what I did see work in my own business as well the message that I tend to have and what I post online as well I think can be pretty refreshing for a lot

of people because I kind of tend to share things up most people don't talk about um around like pricing and and sales like activities and stuff like that so for me it was just yeah it was just a lot of trying all the things and spending all the money and then like okay this doesn't feel really good or it feels kind of like pushy or it feels not like something I would like to continue doing as a business owner yeah foreign with things like this like like bookkeeping it is that's not my background I'm not like a bookkeeper and

I tried in the beginning because I was obviously on more of a budget in the beginning I had to learn this whole thing and to be honest it always felt like pulling teeth for me it's just not fun and I felt like it was zapping my energy and for an entrepreneur I think it's so important especially if you don't have a lot of time I think it's important to spend the time that you do have on things that actually make you feel excited and make you feel more present with the business that you have so you can continue growing it and for

me specifically the bookkeeping part and some of the operational things to me it was so worth it to Outsource it and actually before I moved to bench I hired a bookkeeper and they were more expensive and they were not as good as bench which is shocking um because I had to like I had to be the one to follow up and I had to be like are the books done like what's going on I love that it's an integration of a software and the service like actual service which makes yeah just makes my life a lot easier so when I'm looking at

other tools I always look at like is this actually going to make my life easier is it adding to what I have to do because some tools like they you might seem they might seem like they're making your life easier but it actually is it's not quite the case foreign yeah I for sure I recommend it to my clients as well I think it's um like the price is amazing for what you're getting which is obviously important and people care about that um but also it's just it has actually made my life easier uh the fact that I'm

like even if my account manager or whatever even if they're like out of town I still have somebody to reach the fact that I can access them it just it creates like a level of um being taken care of and the fact that I can have a call if I want to it's like people were charging me so much to be able to have a call with my bookkeeper to learn more and it's like I feel like that should be included and it is with patch so I think it's a it's just a great value [Music]

1. **How Bench Helped This Multi-Hyphenate Marketer Focus - YouTub**e

**URL:**

<https://www.youtube.com/watch?v=5fk1Ux29-OQ>

**Views and time:**

103 views 12 Aug 2023 = **21 views per month**

**Keywords:**

No keywords

**Transcript:**

[Music] foreign I do integrated digital marketing strategy for small businesses and solopreneurs and essentially what that is is I help them with their inbound marketing strategy when it comes to website um social media and email but what I tell people that's kind of special and unique about my Approach is because I do have a background in journalism and fashion media but then I also have an MBA with a focus in strategy and Entrepreneurship I try to be the person that Bridges the gap between you know more business first quantitative people

and you know the more qualitative creatives [Music] out of grad school I was actually teaching high school at the time um and I was over the journalism program at the high school and so I did a lot of um taught a lot of classes around like writing and creative Direction Advanced video production things like that um but like I said I was also in grad school and so right out of grad school I took a position at a startup um which is a I tell people it's a Netflix story for another time but it ended up going completely left as I'm

sure you know you know with startups that happen sometimes and so honestly out of a need for survival I just kind of started taking projects with folks you know in my network um and I was working actually with an executive coach at the time and I was like okay am I gonna you know keep going down this you know entrepreneur path or am I going to try to find you know like a full-time gig um and really the the entrepreneurship is is what stuck and so I decided to just lean into it full time and you know made everything official launch my

website and all the you know related collateral to that and here I am going into my third year of business [Music] foreign [Music] things you know officially and so I got to a point where I was like okay we've gotta you know nail down some things so of course I want an open like my business account and you know got my LLC got my Ein and you know I actually worked with a Tax Advisor actually that I met on um like social media she like posted something and said she did like small business taxes and I was like okay I

need to talk to her I actually ended up working with her and she's the one that kind of introduced me to kind of how that process works um but I realized like the way that the process worked with her there was a whole it was a whole lot of doing everything at the end and I was like I need something that's kind of automating keeping things together as I go um and I don't necessarily know you know what those things are and so I knew that I needed to um find a tool that was helping me regularly like monthly helping me figure

out what my estimated taxes were quarterly helped me figure out what my profit and loss statements were I knew I need to have all those official documents especially if I was going to try to you know grow the business foreign [Music] yeah um I just actually just started working on you know my books for 2022 and so um you know just comparing it to the process like I said that I went through with the tax person before um there was a whole lot um that they already had and so there were just a few things that you know I

had to give to them and so just the process of tax filing in itself the process I would say the time has at least been cut in half um but yeah just even in terms of you know like I said with the bookkeeping just being able to pull my reports whenever I need to um and just also the ease of being able to um message my bookkeeper or message my Tax Advisor I feel like typically you don't have that direct access like overwhelmed by the noise especially working in different marketing and social media and all that space there's

just so much information and you know there's so many people telling you what you should and what you should shouldn't do um and I would just say eliminate as much noise as possible and just stick to the things that you really feel you know align with your purpose and align with like your overall mission [Music]

1. From Chaos to Clarity: How Bench Helped Kat Niambi Regain Control of Her Finances - YouTube

**URL:**

<https://www.youtube.com/watch?v=KR8CxsNuGQQ>

**Views and time:**

373 views / 12 months = 31.08 views per month

**Keywords:**

No keywords

**Transcript:**

[Music] foreign I've always had the gift of helping people on a spiritual level you know help people get direction and I wanted uh to make a shift to doing my work you know I help others and you know when I'm counseling others it's always telling them to follow their path and I wasn't necessarily doing the thing babe walking the walk so I decided to walk the walk and go out there my own adventure into the hungry medium brand full time [Music] [Applause] all the financial stuff no one wants to deal with when they're an entrepreneur

you just don't want to deal with it you know but especially in my line of work where you know a lot of people do not see this as a career you know spiritual counseling um I decided you know you can have people that don't do the right thing but I needed to do the right thing you know in terms of keeping my books in order staying organized um and I was always looking for a solution and I tried using family members who had some expertise and with books and things like that but it didn't really work out

that's the beauty of your company too because you're so patient and they also walk you through the question you know what is this what was this spending what would this spend I use that in uh 2022 because of XYZ and you know you are you know you're in the clear you know you did the right thing because your financial literacy is just growing at a steady pace [Music] you guys are doing all the work for me I am the big thinker I'm the strategist I follow the rules and I feel so secure knowing that I can say oh I'll check

with my bookkeeper or my bookkeeper needs XYZ you know it just it's like a security blanket [Music] now I can build my business to the next level so I'm putting together a mentorship program of people just like me and one of the tracks in the workshops is get your books together [Music] all right I want to tell the world about you guys I'm trying not to a little bit because I want you to myself but I really do recommend bench to everyone who will listen [Music] no

1. **Ask a Tax Advisor Q and A | Oct 18, 2022 - YouTube**

**URL:**

<https://www.youtube.com/watch?v=7Eng7QhcEvs>

**Views and time:**

**717 views / 24 months = 29.88 views per month**

**Keywords:**

No keywords

**Transcript:**

hello good morning good afternoon everyone thank you so much for joining us today we are here for tax advisory Tuesday today is Tuesday October 18th and we're very excited to chat with you all about small business income taxes we're going to go over some questions with our tax advisors and hopefully answer some of your questions today so before we dive in I'll just go through a couple quick housekeeping notes for today's session it is being recorded and we will email out the recording to you following

today's session so if there's an answer that you want to listen to again uh you will be able to grab that recording in your inbox um and re-watch the session uh we will be taking questions via the Q a button which is at the bottom of your screen in that Zoom panel there and we'll be answering questions on a first come first serve basis so I recommend if you have a question now you can feel free go ahead and submit it using that q a button you can also use the chat feature if you like sometimes that's helpful while we're answering

your question you can add a little bit more context if it's needed for us to help better answer your question and there's a couple settings with the chat feature so you can either submit a chat message so that only myself the host and our panelists can see your message or you can set it so everyone can see your message so feel free to use either but just be mindful if you're sharing a message to everyone joining just if you're going to be sharing uh or just be mindful to share about sharing any

personal and financial information just in case you don't want that scene by others let me introduce myself my name is Allison I work here at bench on the content team so I develop all kinds of helpful resources and small business guides that cover a whole wide gamut of topics everything from bookkeeping to accounting taxes and all kinds of things in between so there's over 700 resources available on the bench blog so if you haven't been over there I highly recommend you check it out so that's

available at bench.co forward slash blog all right and um just for anyone here in attendance who may not be familiar with uh bench let me do a quick overview so bench is America's largest full-service bookkeeping solution for small businesses we pair you with our in-house expert bookkeepers to get your books up to date and compliant with IRS standards if you ever have questions about running your business that even go beyond the scope of your books or your taxes our bench bookkeepers are actually backed by our client research team and

so they are a team dedicated just to helping out our clients navigate all kinds of complex small business topics and their job is to provide you with informed answers to your uncertainties and questions so we provide you with a whole ton of support even Beyond bookkeeping and income taxes um but just looking a little bit more into what bookkeeping looks like here at bench and how we do it here every month your bench bookkeeper organizes your business transactions and prepares financial statements and that makes it

easy to stay on top of your finances and track the health of your business month over month and then if your bookkeeper ever needs anything from you they'll be able to get in touch with you but if you ever have a question for them you can contact them you could either book a call with them or we have a messaging feature inside of our platform which makes getting a hold of them very easy uh then at tax time we prepare a year-end Financial package so you can use this package to send to your accountant if they're the one filing

your taxes for you otherwise you can use this package to do your own taxes um but even if you are doing your own taxes and you're thinking you know what I don't want to do this anymore because who really enjoys doing their own taxes we can take that off your plate and handle that for you uh and so uh in addition to bookkeeping as I've mentioned uh bench offers a ton of income tax support as well and so that is provided by a number of people as you can see here on the slides so there's a whole team of support uh to

help you with your taxes so you'll get a tax coordinator a tax preparer and a Tax Advisor and they all work very closely with your bookkeeper to get you filed ahead of the deadlines um but I will highlight that our tax support isn't just around filing or or um during tax season it's actually year-round support and that's so that you can take advantage of uh unlimited number of consultations if you like with our tax advisors and so uh what exactly is unlimited tax advisory when you're a bench client and

you're subscribed to our income tax support you can actually book any number of calls you like all throughout the year with our tax advisors during these calls um they're going to get to like they'll familiarize themselves with your business get to know your Finance is a little bit better and answer any questions that you have and offer valuable advice that's tailored specifically to your business they're also going to educate you on methods to reduce your future income taxes and these are your income taxes is likely

one of your business's largest expenses so it's really beneficial to have a professional just kind of take a look under the hood and provide you with some advice on how you can reduce the this large expense ah okay so um let's get into what we're all here for today but first I would like to introduce our tax advisors who have joined me on today's call so we've got uh Camilla Franklin and uh Patrick uh here and so I'll let you both introduce yourselves hi good morning uh my name is Amia

Franklin I'm an enroll agent uh from Michigan I've been with Vince now for just under two years as a Tax Advisor um and an enrolled agent just to give you a little bit of background is similar to a CPA but we are um authorized by the IRS to represent taxpayers um and we are you know kind of streamlined just for tax whereas CPAs are more uh overall um regulatory type um accountants that handle tax as well so that's the difference and um looking forward to working with you how's everybody doing uh my name is

Patrick Eerie I'm also an enrolled agent based out of Dallas Texas so enrolled to practice before the IRS and represent taxpayers before the IRS I've been at bench for about a year and I am a trusted Tax Advisor here wonderful thank you come here and uh Patrick okay um all right so now we can get into questions uh so if you uh haven't already you can submit your questions uh to either one of our tax advisors here uh using the Q a button which is at the bottom of your Zoom panel uh so um we'll answer them on a first come

first serve basis so feel free to pop them in now uh you're also welcome if you have multiple questions uh you're welcome to um to drop in a couple and take advantage of the time we've got here with our tax Pros uh okay so um I will dive into the first question here uh we've got one from Tyler uh this says uh the question is can I rent my house out to my company what is the best way to cover living expenses if I'm unable to pay myself to the extent I would like okay um well um to be able to rent your house out to

your company it depends on uh The Entity um whether it's beneficial or not because a lot of people uh there's something that's called Augusta Rule and so that's very popular right now you know it's one of those Tick-Tock type things that are out there um that are being advertised so really that's not for sole Proprietors because it's all proprietor you know is essentially working and their tax return is with your personal so first of all in order to rent your um house out to your company you should be a separate entity

and that's Corporation C corporation partnership things like that and so it's really only advantageous uh if um you do the Augusta rule because the Augusta rule allows you to rent your essentially rent your home to your business and you not have to pay taxes personally so if the tax is going to be other income is going to be transferred to you uh as far as your business running it is really no there's really no benefit for it so that's another reason why but um if you do it 14 days or less in those entities then yes you

can um what is the best way to cover living expenses if I'm unable to pay myself um well um in the course of your business um I know some people you know take out loans uh you know against the business to cover living expenses uh if possible um you know other people take out you know if your business isn't profitable yet sometimes people take additional freelance things on the side that's related to their position um so that they can kind of supplement their business while it's coming up um you can do that

um and also um people take draws as well so you can take as much as you can you know after your expenses are covered uh those will be like the three top things I would say Patrick you have anything to add no I was just gonna say um because you're um if you're not able to pay yourself um you're probably a partnership or a sole proprietorship um but in the case that you did you know want to become you know an S corp or a C corporation you would be able to uh reimburse yourself the expenses of rent um within the check that you're

receiving on a salary basis and then on the other end if you're a C corporation or an S corporation you do you'd be able to take that deduction of the expense that you included in your W-2 income okay super all right Tyler so we hope that answers your question for you uh and if not please let us know um all right uh okay you've submitted a follow-up question um and we can jump down to that one actually um she said so as a C Corp I can draft a rental agreement out to my company currently I do pay myself but the amount

of tax loss to income tax is insane foreign you could do a rental agreement um this would more so go through what's called an accountable plan um with your payroll processor so what will happen is um whatever portion of the mortgage of your home is for the rent of the company would be reimbursed into your W-2 check but it won't be taxable income and then on the other end the C corporation would then be able to deduct the expense of the rent yes okay okay perfect Alexis thank you great all right uh we've got another question

from Carlos uh how can I save some tax on a capital gain in new NJ in New Jersey is that right um well that's uh we may need a little bit more information I mean but in general um capital gains are all set by any Capital losses that you have so um and it is a passive type of um thing on your return so sometimes the losses are limited you know to your gains but I mean generally that's what it is so if you have for instance stocks that had uh you know gains on it if you had some other stocks that had losses

those are going to offset it if you had um sometimes you know cryptocurrency if it became a taxable event uh to even become on your tax return that may offset if you had a loss you know um you know any other type of investment type of uh income I mean loss can be offset by any gains that you have um this is something that we probably would explore more like on a call because it's definitely specific to your tax situation um being able to answer something like that did you have anything else to add um Patrick Yeah in general in general we

always want to look at things that could manage your tax liability um so like Kamia said we would have to look uh deeper into your situation to see what exactly um you would be able to um offset that tax liability with um a lot of the times we do look at you know retirement accounts what you're contributing to those to see what you can offset um as far as your general tax liabilities concerned so um something that we would want to speak with further with you about hey thank you both um uh all right Carlos you can let us know

if you have any follow-up questions um regarding that answer uh otherwise um uh we'll give um we've got no more questions oh sorry actually there's one here in the chat oh let me just grab this one moment okay so uh Elizabeth uh thank you for your question uh if you rent your home or building to your business wouldn't that become rental income to you as the property owner yes so if you're yeah if you're renting it for more than 14 uh days within the calendar year at that point that is a

rental property and the company renting out uh that building or property would end up claiming that uh rental income you know that's what I was getting at earlier when I was talking about the Augusta rule um because it's out there that you can rent it but you know it doesn't really make sense to sometimes sometimes it does but other times it doesn't if you're going to transfer that uh tax liability over to yourself personally you know because you have to add that income that you have is rent you know

what I'm saying so it's really specific you know definitely you know C corporations are taxed at 21 and that's a flat amount right now so if your tax uh situation personally that's going to drive you to a higher tax bracket it may not be beneficial for you to do something like that you know what I mean so it's specific to your tax situation okay great uh Elizabeth teaching let us know if you have any follow-up questions for that um Tyler has a um a follow-up um okay so going back to the tax liability

with income uh is there any way to send income to a savings account to mitigate any tax liability but still declare it as income that's an interesting question yeah so um there's different ways to go about it depending on what your business structure is so if you're structured as a sole proprietorship um when you're reporting that in that net profit on your schedule C whatever that net profit is is already going to get taxed self-employment tax and the uh marginal tax rate that you're at so um

it doesn't really matter where you're putting the money in the the IRS just wants to know who's actually claiming that net profit so um in your case if you are a sole proprietorship um whatever your Revenue minus your expenses are is essentially what you're going to be taxed um according to the IRS okay great all right um and uh see Carlos has a note here which I can follow up with um command Patrick just so you know I'll send Carlos a message um okay we have a another question uh that popped up in the chat from

Elizabeth if I hire someone to work for me as a contractor should I file a 1099 NEC or 1099 misc great question uh if there are independent contractor and they're doing active work for you then it should be a 1099 NEC because um it used to be 10.99 to 1099 miscellaneous form but I believe that was two years ago they changed and they brought back the 1099 NEC so they have removed non-employee compensation off of the 1099 miscellaneous like if you were to look at it it's no longer there and any type of non-employed compensation or

self-employment or a contract work would go all the 1099 NEC miscellaneous is now really for like rental income other income uh attorney these things like that um but the NAC is the best one for that particular situation okay great yeah that uh is a common question and those deadlines are coming up in January so yeah um okay uh all right there's a question here in the Q a box from Robin if you are a sole proprietor with a home office can you write off part of your rent uh or your mortgage although um Robin's saying that

she rents uh for that space that you use as your office another common question we get asked so yeah you can um but like Camille was saying um at times it may not be as uh beneficial as you think if you're also claiming in uh the rental uh income that you're bringing in from renting it out to your own company um another thing you could look at is you know home office deductions where um you look at the square footage of your actual home and then you compare it to the square footage of the home office and then

um based on the percentage of how much that home office is taking of your home you're actually able to deduct the utilities that you share between the home office and the uh personal side of the home and then multiply that by the actual portion of the home office that's taking up the the rest of the home if that makes sense yeah or or you can also do it uh they have a standard where you can just do uh five dollars per square foot uh if you have a home office up to 300 square feet which is a total of fifteen hundred

dollars like if you didn't have all that information readily available you just want to take the standard uh type of deduction there you could do that as well but uh that is an alternative for you know renting your home to your uh to your business you know it and it still can be a deduction you know and not have to be so formal uh but if you are a sole proprietorship you would do it like we just mentioned but if you were some other type of business such as like an S corporation you would need to do that in

conjunction with an accountable plan where you just you know you kind of calculate that in the beginning determining how much money you want to pay yourself back or reimburse yourself for your home office and then reimburse yourself and then it becomes deductible to the business um in it and add it to your W-2 yeah okay okay yeah great Robin says thanks for having me clarify that and I'll just um paste in the chat here we've got a great uh blog post on frequently asked questions uh that we have received over

the years uh from our clients about the home office deduction so feel free to check out that uh blog article and that might uh help answer even more of your questions and provide you with a bit more information uh okay so so I'm gonna jump back to the Q a we've got another question from Tyler so as a C Corp uh I think Tyler you mean how do you um let's see how do you file for tonight contractors um that have no social security number how do you 1099 contractors with no social security uh I think I think he wants to know how

can you issue and you can correct me if I'm wrong Tyler how do you issue a contractor's a 1099 with no social security number if that is the case uh what happens yeah what happens is um before you start working with them you should issue them a W-9 requests or ask them to complete that that uh particular form there uh allows them to report how they want to be paid you know either under a business name or their personal name they would have to disclose their social security number or their tax ID number if their business and want to be

paid as a business uh with with that form and so that way you have that ahead of time so if you've done that and you haven't done that stuff you know you've paid them you will still need to request that information if you don't have it uh By the time it's time to file these 1099s by January 31st of the following year um and they and they refuse to give it to you then what you have to do is file to 1099 and then write reviews at the top uh it would have to be mailed in and versus e-file because in the e-filing

system you have to have uh you know an identifying number for it to go through but you would have to mail it in and then what happens is um that lets the IRS know that the person uh refused to give you the information to be taxed and so if that's the case they can look you know there are steps that the IRS takes I'm not exactly sure what but eventually um if it's wrong or if it's a mismatch they will send to you that you have to um do backup withholding for them meaning that you are you know anytime

you pay them if they're not going to give you the right number you have to do a mandatory withholding from them uh I think it's 35 or 40 percent of their money and so that kind of prompts them to give you the information and also if if you find out that there are non-resident alien or um you know the reason why they don't have a Social Security is because they're not a citizen or anything like that um at that point you would have them fill out what's called a w-8 Ben um and that's not necessarily filed with

the IRS but you keep it for your records in the case that the IRS wants to know where their information came from when you pay them out okay I've also thrown in the chat there just a couple uh guides that we have on the bench blog about uh 1099s so you can check those out as well for uh some more helpful information um but Tyler hopefully that answers your question um okay I saw another question come into the chat um Elizabeth is asking how you determine how much to pay in estimated taxes another question another great question

that we get asked regularly um go ahead no go ahead oh okay well I was gonna say that um I have a delay oh okay okay come here you go ahead okay um uh estimated tax uh is generated by um you know if you're a sole proprietorship or a single member LLC or personal um you know even an S corporation is generated when you owe more than a thousand dollars in a prior year so first you have to owe in order to be able to uh really have to pay estimated taxes now there are times when people should pay in advance the tax that they

owe for the year especially if you expect to owe um a good amount of money so that you're not having to pay a lump sum of money at the um at at the end of the year or at the beginning of next year um so there's first the Safe Harbor so if you owe more than a thousand dollars in one year unless just say you owed a thousand dollars that would be 250 per quarter that you would owe that next year to be in compliance with estimated tax um and so that's what we usually do we do a safe harbor estimate like that

um usually um if you owe estimate the taxes it because it's parked the vouchers are part of your tax return in a prior year and you would use that to pay um but another thing that we do in the tax advisory uh call is we try to give you a decent or kind of A Safe Harbor estimate type of thing um how much you can expect to oh based on the net profit that we see for that year uh for your current year so that you if you don't want to owe more you know um at the end of the year so hopefully that makes sense

Patrick did you and we also have um a tool yeah I was gonna say we also have a tool on the um on the bench website the bench estimated tax calculator It'll ask you a couple inputs um such as what business entity uh type your uh registering as um also what your filing status is and along with any credits that you think you're going to get within that year and then um based off of that it'll give you an output of what we estimate your taxes to be if you don't have a previous year Safe Harbor amount

and for C corporations um the threshold is lower is uh if you owe 500 dollars uh for the prayer that's when you have to pay estimated taxes so um and that's you know your tax is 21 you know generally 21 so that's how much you should hold you know okay we've got one minute left uh there's one more question here from Elizabeth um if we're able uh to answer that one quickly uh she's asking how do I find the Safe Harbor it's just taking a dollar amount and dividing it by four so your Safe Harbor

yeah by four and it'll be the amount that you your previous um tax amount owed was so if we prepare your 2021 taxes and we saw that you owed um let's say a thousand dollars then um just be sure that you've paid they want to make sure that you've paid at least 100 of your previous year's tax liability or 90 percent of the current years okay great thank you both so that brings us to the uh bottom of the hour so thank you everyone so much for your questions and for your engagement um I'll just wrap up today's session by

saying thank you so much for joining us uh and if you think that this kind of tax support would be helpful for your business on a larger scale imagine having um a one-on-one call with either Patrick or Kamia or any one of our tax advisors who can help you uh get way deeper into things with your business um then you can actually give bench a free try we have a no commitment free trial which you can start by visiting bench.

co uh and during the trial we're actually going to complete a prior month of your bookkeeping uh within just one business day and then at the end of that you'll get a set of financial statements to keep and this allows you to just quickly see if bench is the right fit for your bookkeeping and tax needs before you make a decision um uh if you'd like to go ahead with us to help support your business and lastly I'll just say if you found today's session helpful please share our website with a fellow business owner who you

think might also benefit from getting their income tax questions answered we'd love to meet them and see how we can help so thanks again everyone for joining and enjoy the rest of your day bye-bye take care

1. Tax Advisory Tuesday Q & A | October 4, 2022 - YouTube

**URL:**

<https://www.youtube.com/watch?v=cl2gZ2DvTrQ>

**Views and time:**

463 views / 24 months = 19.29 views per month

**Keywords:**

No keywords

**Transcript:**

hello everyone uh welcome to tax advisory Tuesday today is Tuesday October 4th uh 2022 and we are excited to welcome you to our Tax Advisor series which is our live q a with our in-house tax advisory team and we're going to be talking all about small business income taxes uh just a couple quick housekeeping notes for today's session it's being recorded and this recording will be shared with you later today through the email that you use to register for today's session so if you want to re-watch an answer or

just review something over again you'll be able to uh watch that recording later today we will be taking questions uh via the Q a button which is at the bottom of your Zoom panel or sorry at the bottom of your screen in your Zoom panel so you are welcome to start submitting questions now uh we just have a couple things to get through first and then we'll Dive Right into questions um but uh you're also able to use the chat so as we're answering your question if you have um any additional context or or comments

that relate to your question that you've asked you're welcome to pop them in the chat and then we'll see them right away as as we're providing you with your answers um and just be mindful when you're using the chat if you've got your chat setting set to um be displayed to panelists and attendees uh just be mindful that that information is being publicly shared with everyone viewing today's session so um if you want to withhold personal financial information that's up to you uh let me introduce myself my name is

Allison I am your host today I'm the content manager here at bench and what that means is I'm responsible for putting together all kinds of helpful guides and resources for small businesses which you can find on the bench blog which is at bench dot Co forward slash blog if you haven't been there or explored um uh the the site the blog please do we've got over 700 amazing helpful resources covering all kinds of topics um between taxes and bookkeeping and accounting and managing your finances all right

so for those of you who may not be super familiar with bench I'll just give a little quick intro so bench is America's largest full-service bookkeeping solution for small businesses we pair you with our in-house expert bookkeepers to get your books up to date and compliant with IRS standards if you ever have questions about running your business that even go beyond the scope of your bookkeeping or your taxes our bench bookkeepers are backed by our client research team and they are able to provide you with informed answers to

a whole wide range of complex business questions and so bookkeeping at bench uh basically what it looks like is every month your bench bookkeeper organizes your business transactions and prepares monthly financial statements for you and this makes it easy for you to stay on top of your finances but also to track the health of your business month over month and if your bookkeeper ever needs anything from you they will get in touch but if you ever have a question or you want to get in touch with them it's super easy to do so as well you can

message them directly in our platform in a messages feed or you can book a call with them and speak with them as soon as as soon as you'd like to at tax time we prepare a year-end Financial package and so this package contains everything you need to file your taxes so you can either just pass this package off to your accountant if they're the one filing your taxes for you accountants love this tax package because it contains everything kind of neat and organize it tidy otherwise if you do your own tax filing you can use

this package then to help you through that but if doing filing your taxes is not a task you particularly enjoy we understand and we can take that off your plate as well so that is a service that we also offer in our premium package um so let's talk a little bit more about tax support here at bench so our tax services actually include a whole team of tax experts who work with your bookkeeper to get you filed ahead of the deadlines but this support isn't just limited to tax season and uh tax time at the beginning of the calendar year our

tax advisors like um uh Patrick and Mark who've joined me today they're actually on hand year round to provide you with unlimited tax consultations at any time of the year and so uh this unlimited tax advisory what is this exactly so when you're a bench client and you're subscribed to our premium package which is our bookkeeping and our tax services you can actually book um as many calls as you like with our tax advisors at any time of the year so these calls will typically last anywhere up to an hour during that time our tax

advisors will get to know your business a little bit better understand your finances answer any questions you have and then offer valuable advice that's tailored specifically to your business uh they'll also educate you on methods to reduce your future income taxes and this is possibly one of your business's largest expenses so it's really beneficial to get a professional's opinion and and an experts um eye to help you figure out how to reduce that as much as you can all right so let's go ahead and meet our

tax advisors who are joining me today so we've got Patrick and Mark with us and I'll let you both introduce yourselves Patrick you can go first how's everyone doing uh my name is Patrick I am an enrolled agent based in Dallas Texas I'm enrolled to practice before the IRS and represent taxpayers before the IRS and I've been a Tax Advisor here at bench for almost a year I think next week we'll make it a year and my name is Mark I am a CPA um I've been a bench for almost two years now and I am from well I'm sitting

in a beautiful Wisconsin early afternoon right now so uh nice to see you all here great it's wonderful thank you okay so uh we can dive into the questions now and if you haven't already uh please submit your questions uh through your Zoom panel which should be somewhere near the bottom of your screen and there's a q a button there and that's how you can submit your questions uh and so we've got a couple uh in here already so we'll Dive In the first question is from Heidi so Heidi says I just filed for an LLC

can I have my fiscal year end in September rather than December and what are the benefits or disadvantages so yes you can change your fiscal year um you would use what's called a form 1128 to change your um your yearly reporting uh with the IRS um and then depending on what your business is usually I see seasonal uh businesses uh change their start and end dates um for the tax season just depending on where they want to align their revenue and expenses yeah exactly um the only thing I would add is that if it's a single member LLC and you're

filing as a sole proprietor that's filed on a schedule C and included with your individual tax return and that's not something that you're able to choose a fiscal year for that has to be a calendar year um so if your LLC is an S corporation a C corporation or a partnership um there's an opportunity to change your fiscal year and um sometimes but um if it's a sole prop unless I'm missing something I'm pretty sure that you are stuck on calendar year okay and Heidi uh has added um uh that she's filed for an LLC in

California I'm not sure if that affects anything yeah so she wouldn't be able to um change that fiscal year because she's reporting her personal taxes along with her business taxes on that schedule C that Mark was talking about okay okay and then I guess the California portion is a California is a expensive state to live in and it's expensive state to uh run a business in um California has an 800 per year fee for just having an LLC registered um so that's something to keep in mind they expect you to prepay it and then you

reconcile that 800 it's a minimum of 800 it can be more based on um on your gross income level I think but it doesn't I don't think it creeps up until you get into the the quite high level there but at a minimum you're going to pay have to pay 800 a year to run that LLC in California um I believe there is a first year exemption um so have your tax professional look into that so you're not paying it unnecessarily and I've heard stories that if you accidentally pay it for the first year they don't

necessarily give you a refund but if you notice that you have the first year exception um you're able to not pay it for the first year which is obviously a benefit for a you know small business that's just starting out hey great thank you so highly hope that answers your question uh all right the next question here from an anonymous attendee if you have a multi-member LLC who is responsible for filing form 1065 if everyone is an owner yeah that that's something that typically we would like to see in a

partnership agreement because that means that the the partners in that partnership have decided that they are going to have you know one or a couple of people you know responsible for the for the tax filing um in in the absence of having that you know that guide with the the partnership agreement um you know it doesn't necessarily there's not really a single person responsible it just you know that that returns got to get filed by the due date or by the extended due date um you know it's kind of kind of among

the members I would say to to figure out who who needs to do that filing and also so you're only filing one uh 1065 um that 1065 is going to come with a K1 and each partner is going to use that K1 to claim the amount of income that they're responsible for within that partnership um along with the self-employment taxes that they'll be taken apart of um on that K1 okay great thank you and um I believe there's a follow-up question to this um this question so when filling out the 1065 for a multi-member LLC how do you

know whether to select domestic partnership domestic LLC domestic general partnership or domestic LLP that would also well I guess that's something that it depends on what type of of partnership you've you register what type of LLC that you registered with the state you know if you uh the domestic partnership would be not you know not an LLC so it wouldn't be that it would be probably a domestic LLC um yes you know it depends on what sort of entity you're you're registered at or registered as a you know LLP versus LLC

usually on the state level when you're looking to register for the state that you're in it'll um let you know what type of LLC you are or multi-member loc that you are registered with all right great uh all right I'm seeing a question here in the chat which we can jump over to uh from Siobhan so hello I'm a single member LLC based in New York um based on operating in New York I have an e-commerce store that ships to all 50 states okay this question is about sales tax um which we may or may not be able to

answer um we primarily uh deal with income taxes but uh you can let me know if you have any thoughts Mark or Patrick is it accurate that I only charge sales tax to residents of New York state would I have to collect sales tax for international orders not sure if you're you have any thoughts there so we partner with um tax jar and avalara and they help out with sales tax processing so signing up with you know one of those partners that we have can ensure that you're withholding and remitting the appropriate sales tax for each of those

transactions yeah and I guess more generally um it depends on how much you're selling in each state right so if you know obviously the state that you're on and operating in you're going to have to you know collect sales tax for for sales to that state also to states that you don't you know say you're each I guess a better way to say this each state has a threshold of either sales or transactions or other items that create what's called Nexus um and you have to kind of do an assessment based on you know what your

status is in each of those States so say for example you sell a whole bunch in New Jersey if you make if you're over that threshold for reporting you know sales tax and and you know income tax for that matter to New Jersey then you're going to have to you know segregate those and collect sales tax from New Jersey as well so it's it's based on the the amount of either transactions or the gross amount of Revenue that you get from from a state and it's different from every state so that's why there's not

like a general rule um that is a really good idea to to have someone like tax jar because they can you know take a look at what you have and tell you exactly where where and when you need to do the sales tax filing International you know we don't touch that very often but I would say to you know be in line with that because it's some somewhere where you can certainly um you know trip up and and get you know a lot of fees and that kind of stuff typically unless you have you know it it's based on a level again like if you have a

certain amount of sales to the United Kingdom you're gonna have to charge value added tax which is like essentially their their version of sales tax which it follows a similar process um but you know I I really suggest if if you if you have questions about that you know contact a service that that specializes in sales in sales tax great all right Siobhan says thank you uh you're very welcome all right uh we'll jump back over to the Q a and this again as a reminder for those of you in attendance if you

haven't already submit your question uh through the Q a you can do so uh through more than one question too you know to just one yeah um okay and so we do have a couple more questions which we'll dive into another one here from Heidi uh says what uh this is a great question uh probably has a very um uh a broad answer but what tax deductions do I need to keep track of for an LLC so it that would that's a very broad question um so the main thing that we look at are your operating expenses so any expense

that's needed to operate your business on a daily basis so things like marketing expense um if you have a home office you want to look at the utilities that you're splitting between the personal use of the home and the office space um and so pretty much we try to look at any um advantage that you could have on the deduction side that has to do with you running your business on a daily basis wonderful yeah I guess the you describe expenses that IRS describes expenses as you know ordinary and necessary right so

any anything that you expend you know that's an ordinary thing for a business like yours and necessary for you to to have that business can essentially be expensed through that business um you know there's having like a an exhaustive list isn't necessarily something that that we could spot off here in in the time we've allotted but you know actually bench has a great blog about some some common business deductions I'm sure Allison was just going to link that um that has a lot of information like that

yeah I'll grab that I'll paste it here in the chat for you um Perfect all right and while I'm doing that we can jump into the next question uh so this is um another question about the 1065 so our k1's automatically generated after the 1065 is filed is this the only document needed for those individual members or owners of the LLC yeah so the k1s are actually part of the 1065 filing so it they're they're generated and filed along with the 1065.

you actually you'll get a notice of the IRS will get on your case if you don't file the k1s along with that 1065. um so that I guess the general answer is yes they're automatically generated typically you know the person who you know has contacted the tax filing will get their tax you know tax return back it's been filed with the IRS but then you will receive a K1 packet for each of you know the partners or the members in that LLC and then it's your responsibility to distribute that to those individual members and then they

use that K1 to report that partnership their allocation of that partnership income on their individual taxes so the second part of that question is is that the only document typically yes I mean there there could be cases where there's something else that you need but typically you know the K1 is is going to report everything that you need from that 1065.

all right and just to add the the reason for um things like Partnerships and uh S Corp returns are due a month earlier is because uh it comes with the K1 so they want to make sure that you have enough time to file that K1 with your personal return um once it's complete yeah that's a good call out to the the due date is you know like Patrick said a month earlier you can extend that for six months but realize that you know you have to have that that partnership returned on and have to have those k1s in hand before you're able to file your

individual returns hey wonderful thank you uh all right so I've just shared the link there for our blog post on um uh our the kind of like a high level overview of like the main kinds of uh tax deductions so you can take a look there all right um okay next question um does the first year exemption uh go by calendar year so I think Heidi here is referring to the um the fee for registering to be an LLC for California I think yeah yeah so it once California registers your business within that first year um that 800 minimum franchise fee is

waived for that first year of doing business and it I just looked it up quick too it's for the entity's first taxable year so you know if for example I know you're asking about fiscal years earlier so if you have like a fiscal year S corporation you know it would be for the first taxable year for that that you know that entity so you know if it goes from July to June or whatever then it would be that first that for essentially the first return that you send in you don't need to pay the hundred dollars

great all right and uh one more question here again from Heidi Howe is income tax differently from an employee versus an independent contractor this is a great question we get asked this so employees employees will have their federal income tax withheld for them on that W-2 independent contractors they get paid like regular small business owners where they're the ones that are responsible for paying their taxes at the end of the year so like when you see a traditional employee have a W-2 they'll automatically see their federal income

tax withheld on that income whereas someone who's an independent contractor they'll receive what's called a 1099 NEC and that's what they'll use to report their income but that won't withhold the taxes that were due on that income for sure and taking that a little bit further so if you're an independent contractor and you get a 1099 you're also going to have to pay self-employment tax on that typically uh depending on what it's Forum so you're you're paying your just says your wages

you know as income you're paying regular income tax on that amount less deductions right if so if you're an independent contractor typically you're going to report on schedule C with some deductions that go against that income so whatever that net income amount is you're going to pay a self-employment tax on in addition to your regular income tax and that self-employment taxes the Social Security and Medicare that's typically taken out you know half of half of it's taken out of your wage

you know as you earn it when you're a W-2 employee um your your employer pays the other half of it when you're self-employed when you're an independent contractor you actually owe the whole amount the whole you know 15 um so that's that's added to well the the 15 self-employment is not 15 it's rounded but that's added to the the regular amount of tax that you would have on there so it can be significantly higher than it would be you know on on regular wages all right all right thank you both uh

lots of helpful information so uh we do have a couple minutes left here for more questions so if you'd like to please feel free to submit uh any questions or Curiosities you have uh we've got our tax Pros here so make the most use of their time again you can submit your questions using that q a button or feel free to drop a note in the chat if that's easier for you uh and while we're waiting to see if there's any final questions um uh I'll just uh walk you through um a little bit more about

um uh benches free trial so uh if you found today's session and time here getting answers from Mark and Patrick really helpful imagine if you could have their unlimited support on a one-on-one setting year round where you can get all your questions answered and get really helpful advice advice you could do so through a bench subscription to our premium package and if you'd like to give bench a try you can do so on a free trial uh which you can start by heading to bench.

co and so in our free trial uh what we do is um we uh we have our bookkeepers complete a month of your books within just one business day so uh they're gonna hook up all your financial accounts uh they'll organize your transactions and then they will prepare financial statements for you and you can take those away and this trial is no commitment no credit card required we're just wanting to give you a chance to see uh really if bench's bookkeeping solution is the right fit for you uh and so again you can test start a free trial by heading to bench.co but if

you are already a bench client and you would like to um uh speak with your account manager about upgrading your subscription uh maybe you're on our essential package now and you would like to upgrade to our Premium plan just to make the most of these um this time and this advice here from tax advisors on a year-round basis you can do so by reaching out to your account manager I'll just paste the link where you can do so here in the chat uh so you if you're a bench client you can grab that link and talk with our team

there and learn a little bit more about our income tax services um and other than that I guess if there's no final questions we'll maybe give it another 30 seconds here if someone wants to enter in a question otherwise we can wrap up for today so again you can submit any any final questions you have with that q a or in the chat um looks like that might be all the questions for today so um oh we've got a question from Ayanna uh is there an opportunity to get one-on-one tax advice through bench yes yeah so 100

um so if you uh our bench client and you subscribe to our premium package uh you're able to take advantage of a tax consultation uh where it would be in a one-on-one setting with one of our tax advisors like Mark um or um or Patrick and basically the calls are anywhere up to an hour and during that time you are getting one-on-one tax advice um so that's um that's exactly what we offer through our tax advisory services and you can read a little bit more about that um I'll share a link here in the chat to

our pricing page that covers a bit more about what is covered in each of our packages um so you can visit that there okay we've got one more question that popped in uh this um maybe silly there's no silly questions um all right so how do I indicate that I paid myself with an LLC so the only time um you should be paying yourself um through an LLC is if that loc has elected to become an S Corp in the eyes of the IRS so an S corporation isn't necessarily a business entity it's more so a tax designation

at that point you would have to pay yourself what's called a shareholder salary and the IRS asked that it's reasonable so depending on the industry that you're in you pay yourself within that industry standard and then you're able to deduct that payroll expense on your S Corp return um another way you could pay yourself is if you're a partnership um you would pay yourself what's called a guaranteed payment um and a guaranteed payment isn't necessarily a salary but um it is something that you can deduct

on the partnership return um to reduce your taxable income and for for like a single member LLC that's like a sole prop you don't really pay yourself you just give yourself distributions they don't run through payroll or anything uh they they live on the balance sheet if you know you know kind of financial statement accounting but um essentially you can transfer you know yourself as much money as you want from the business and it's called a draw or a distribution from the LLC you don't need

to keep track it's not a deductible expense so you don't take you know keep track of down the income statement you don't get a deduction for it but it's it's tracked on the balance sheet usually in a in an equity account okay great thank you both all right um okay we have one more question we've got one minute left so we can see if we can tackle it how early can you start doing 1099s for contractors since the deadline is the end of January this is a great question I was just in a conversation about 10.99 yesterday

yes I I don't know if you have to wait till the end of the year I think you'd probably do um but you know I I don't know Patrick do you have any idea if you can send it before the end of the year I I know people typically don't because they're like well what if I send this guy another pair this individual another payment or something like that right I think traditionally if you're if you're done paying that independent contractor for that year um I think you could go ahead and file

that 1099. yeah I don't know like about e-filing and that kind of stuff but if you're paper filing you know I don't think there's anything wrong with sending it before the end of the year but you know typically the crunch for 1099s is you know January right because you have to then you're able to figure out the totals for the year get them all done at the same time send them out and file them before we know the end of January it's a it's a very you know compact timeline but it's

a it's a pretty simple process too with you know just the one form or whatever all right thank you so we'll wrap things up there now that we're at the bottom of the hour uh thank you again everyone so much for your attendance and your engagement and lots of great questions today uh we hope you found today's session helpful and again if you have any questions about benches Services you can head to bench dot Co and you can click Start a free trial and that will just um uh kick start your getting your

information into our system and having our team reach out to you and then that way you can ask them any more questions you have about benches bookkeeping and income tax support so thank you again everyone and if you found today's session helpful please share our website with a fellow business owner as we would love to have them join us in the future tax advisory Tuesday session and help them with their income tax questions so thanks again everyone and enjoy the rest of your day bye everybody

1. Tax Advisory Tuesday Q & A | September 27, 2022 - YouTube

**URL:**

<https://www.youtube.com/watch?v=JQlOtaLeihk>

**Views and time:**

**255 views / 24 months = 10.63 views per month**

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**Transcript:**

good morning and good afternoon everyone welcome to tax advisory Tuesday today is September 27th and we're excited to talk about small business income taxes in our live q a with our in-house tax advisors uh just a couple quick housekeeping notes before we jump into today's session it is being recorded and the recording will be shared with you later today by email so if you want to re-watch an answer that was given to you you can certainly do that and grab that recording in your inbox again that'll be

sent to the email that you use to register for today's session I will be taking questions via the Q a button that's at the bottom of the um the bottom panel of your Zoom screen there and those will answer those on a first come first serve basis so if you'd like you can go ahead and put in your questions now you don't need to wait until we dive into the Q a um but uh yeah please uh we we just recommend to use the Q a button to submit questions instead of the chat just because sometimes questions can get

a little bit lost in the chat but feel free to use the chat if you want to add a little more context to your questions or if you just want to leave a comment or or say hello you can also change the settings of who is viewing your chat message so it can either be just to myself the host and our panelists or the chat can be seen by everyone so you can toggle that setting I'll introduce myself my name is Allison I am your host today so I work at bench on the content team developing all kinds of helpful resources and

guides for small businesses and those are available on the bench blog which is at bench.co forward slash blog if you haven't been there I highly recommend checking it out we've got over 700 amazing resources to help you navigate managing your small business finances so um why don't we quickly go over just for anyone here who may not be in the know about what bench is what we do we are Ben we are America's largest full-service bookkeeping solution for small businesses so we pair you with our in-house expert bookkeepers to get your

books up to date and compliant with IRS standards and if you ever have questions about running your business that even goes beyond the scope of your bookkeeping our bench bookkeepers are actually backed by our client research team who are able to provide you with informed answers to complex business questions so in addition to bookkeeping and tech support we can also help you out with other aspects of running your business we've got a whole support team to help you out so um just going into a little bit of

what bookkeeping uh how it's done here at bench uh each month your bookkeeper organizes your business transactions and prepares financial statements and this makes it easy to stay on top of your finances and track the health of your business month over month if your bookkeeper ever needs anything from you they will get in touch with you but if you ever need to get in touch with them if you have a question you can easily book a call with them or send them a question via the messaging feed in the bench platform

so super easy to get a hold of us when you need to at tax time we prepare a year-end Financial package and you can use this package to either give it to your accountant if they're the one filing your taxes for you accountants love this package because it has everything they need to do your taxes all neat and tidy and organized or you can use this package to file your own taxes if you do your own tax filing but if that's not a task you particularly enjoy like most of us we can actually take that off your plate and do your tax

filing for you as well um so our tech support here at bench is actually provided by a whole team so there's tax coordinator you get a Tax Advisor tax preparer and they all work with your bookkeeper to get you filed ahead of the deadline um and I'll just caveat that our tax support isn't just limited to tax season or ahead of uh getting your taxes filed it's actually year-round service and that's so that you can take advantage of the support offered by our tax advisors who are available year round for an

unlimited number of tax consultations and so what exactly is unlimited tax advisory how does that work uh when you're a bench client and when you're subscribed to our premium uh package which that one is bookkeeping and tax services you can actually book an unlimited number of calls with our tax advisors at any time of the year so these calls will typically last anywhere up to an hour and during that time our tax advisors will familiarize themselves with your finances answer any questions that you have about your business and

then they're going to offer you really valuable advice that's specifically tailored to your circumstances and and to the arrangements in your business but most importantly they're going to educate you on methods to reduce your future income taxes and your income taxes are probably one of your business's largest expenses so it's really beneficial to get this optimized and reduced where you can uh all right so uh what we'll do is we'll dive into some uh intros now of I've got three of our in-house tax

advisors joining me today uh so we've got uh Mark Kamia and Patrick and I'll let you uh go ahead and introduce yourselves sure we can go in that order too um as as Allison said my name is Mark I'm a CPA I've been a CPA for well I've been in tax for a number of years um and I've been a bench here for a couple of years as well a Tax Advisor here you know all of us here are actually tax advisors at bench so you know if if you end up if you are a client or if you will become a client that one of us would be

you know one of the people that you work with I'm happy to see you all here today yes good uh good afternoon my name is uh Kamia Franklin I'm from Michigan I'm an enrolled agent um an enroll agent is similar to a CPA and we specialize in tax specifically versus where a CPA has a more uh well-rounded uh task and so I've been at bench uh the last again maybe about a couple of years coming up on a couple of years and I've been in the tech industry uh coming up on about 18 years so um welcome and we welcome your questions

how's everybody doing my name is Patrick I am based in Dallas Texas um I have about four years going on five years of tax experience I'm also an enrolled agent uh here at bench and a Tax Advisor I'm here at bench since October of 2021. wonderful thanks so much everyone all right so if you haven't already you can go ahead now and submit your questions using the Q a button at the bottom of your Zoom panel which should be down near the bottom of your screen there uh we're going to answer the questions

um first come first serve basis so if you've got a question uh you can submit it now and we'll make our way through them um all right so the first question we've got here is from Benjamin and the question is will the business tax filing include partnership pass through K1 um well if you're asking if you purchase a bench tax subscription and you have a partnership business will it include the K1 yes it will all um okay ones that are specific to that business will be included and you can disperse them you know once the return

is completed that's how that would go hopefully that answers your question yeah and that'd be for obviously for s-corps as well um right both Partnerships and S Corps I mean the key ones for the partners if it's a partnership the members if it's an LLC or the you know the shareholders the possess Corp are are part of the tax return right they have to be completely you get in trouble with the Harris if they aren't completed so not just bench but any Tax Service I would hope would include the k1s for you typically

you know you're you're the person who's the bench facing client so we prepare the return and give it to you and it's up to you to distribute the k1's to the different owners um and that is that we don't necessarily mail them out to the to the respective owners that's the responsibility of the the lead client or whoever you know whoever is dealing with us great thank you okay Benjamin uh yeah and anybody um here uh of course feel free to drop a note in the chat if we haven't quite

answered your question or if you need to provide us with a little more context all right so the next question uh from an anonymous attendee started my business in May uh when do I need to pay quarterly taxes and what percentage of income should I be saving for taxes great question we can ask that one quite a bit so to the first question um your quarterly taxes are due um January 15th for Q4 of the previous year um that's where I'm starting off at and then um April 18th or April 15th of the following year

um and then September uh 15th and then finally December um and then if you're looking to withhold any taxes for business for business income um we would have to see what tax bracket you're in to know the percentage of income that you're going to withhold um and then of course look at any other factors such as how much your W-2 income is withholding to go against that tax liability yeah the only thing I would add is if this is a C corporation um um it it you know you would have uh amounts that are due in those

um increments however um once you have a tax liability of 500 or more that's what prompts you for having to oh and roughly the T Corporation enter I'm sorry tax rate uh of about 21 generally so you could withhold 21 on a C corporation so the other um entities you know llc's sole proprietorships best corporations Partnerships you know they are flow through entities so that um those particular entities um are dependent on what your uh tax um bracket is personally so um just want to put that in there because last time I didn't so no that's

perfect yeah they though vanities that aren't C corpse depend on your your individual tax situation and those are different for obviously for every partner that's part of it or every shareholder um I guess I'll I'll add that you know if you're not making money if you don't have a profit you're not going to owe taxes so I you know if you don't if you don't have any profit especially if you started a business you know some businesses are profitable right away some are you know take a while to to get

up there so if you're if you're making a profit you know probably makes sense to talk to someone about some quarterly estimates but if you're still you know starting the business and not necessarily making a profit yet I wouldn't worry too much about it hey great all right uh the next question is from Jay I have an office in home and have not charged on a per month basis we have a documented agreement that the office will take care of the Home Maintenance it has been a small amount over the years however our home is now 22 years

old and we've had heavy expenses this fiscal year can I deduct a much higher amount this year without an issue I can go ahead and start that one so even if the office or the business and the you know you have an agreement that the office will take care of Maintenance that doesn't necessarily mean it'll stand up to the IRS um virus is pretty specific about home office expenses and you know it it's either you get to take the simplified method which is essentially five dollars per square foot that is used exclusively

for business or you can take the ratio of the area exclusively used for a business over the total area of your living space and multiply that ratio by the the home the expenses for keeping up your home um you know that unless you you know have an exclusive office for 100 of your living space I don't think the business would be able to do you know 100 of the Home Maintenance um so I I would talk with a you know your tax advisor or a tax professional about that and and see if that's something that the IRS you know would

might have a problem with because I think that they might oh yeah what do you guys think um the first thing that comes to mind is if you're um asking can you [Music] use senses that occurred in a prior Year I'm not sure if that's what you're asking but um that wouldn't be possible I think they're just saying that because the home is older there's more expenses this year this year okay um well yeah it would be just basically what the um percentage um of use would be like like uh Marcus

said I mean it's pretty straightforward I mean if you wanted to if you don't have more than 300 square feet um well I guess it would be worth it um but it you can go do up to 300 square feet at five dollars per um square foot and so that's like a fifteen hundred dollar expense that you don't really have to do too much to document so if your expenses are more than that then and if you've had a profit um on your business if you're a Schedule C Business um that probably is the easiest way now

if you have more expenses um depending on the ratio of use um it could be worth it if you did have a lot of expenses regard you know related to your home um if they're expenses related to uh improving the home such as like a roof or things that have to do with the home itself that those type of things would add to the bases and not necessarily uh be something that you could expense off as a home office experience yeah and the basis would um more so come into effect when you're selling the home which would decrease

the capital gains that you would recognize on your tax returns yeah home office even though it seems like it should be something simple it actually can get pretty complicated um you know there's you want to be very careful because IRS is pretty strict about that 100 business use thing right you can't necessarily use like your living room because you know you use that living room personally so you have to make sure that the area of the home office is you know exclusively used for the business and then if you're

doing the the direct method you know keep making sure that ratio is multiplied by those expenses right you know there's certain things that can be 100 you know paid by the business such as improvements you know or if you you know buy a desk or that kind of stuff for your office right but like Camille was saying if you're making an improvement to your house you know putting on a new roof or something like that there's a possibility that the business could you know expense part of that but it keep in mind that

when we're taking these type of deductions especially depreciation of your house there there are some ramifications down the line if you if you choose to you know sell your house some of some of that game may not be excluded right and to piggy off of that because I think um the person uh someone else put it in the chat about um what a safe percentage to claim it has to be the actual uh ratio of the home to the space that you use so you have to actually physically or you should actually physically measure that area you know so

that you have the right amount sometimes people take even take pictures of it yeah straight home or whatever it might be yeah yeah but if you have a uh because you talked about a garage if you have a detached garage that's only used for tools and gear and you're saying that the tools and year um our expenses you know that I'm sorry that you use for your business now you can do that um that that would be an extra one um it's something else that you could add so you're saying you have an in-home

office and then you also use a garage it would be both and keep in mind that you know even if it was you know part of your attached garage you can still use that but it just needs to be an exclusively business used area you can't you can't have mixed use because that that tosses out that that portion as as part of that ratio that you can use right and the garage will be done in the same way if it's not 100 business use so if you use like a corner of your garage or you know a portion of your garage say 20 square

feet or something like that that's only used for those business items you know that there's nothing wrong with doing that at least in my opinion but um you know if you if you're using it for both personal and business things then you know it really does get thrown out and you're not able to use that all right hey great all right uh the next question uh we may have already kind of covered this um as we talked about estimated quarterly taxes the question is um just to go over estimate curly taxes

for a partnership I'm not sure if there's anything any of you would like to add to what we've already talked about yeah so partnership is a pass-through entity so um once the partnership return is complete um the taxpayer is going to use a K1 to complete their return and that K1 is going to have the amount of partnership income that the taxpayer claims on their personal return um that partnership income is then going to yield a tax liability along with all the other income that that taxpayer is claiming

um and if that tax liability is a thousand dollars or more that's when the taxpayer is going to pay estimated quarterly tax payments on the personal level so not on the partnership level but on the personal level of the partner great all right the next question um an anonymous attendee is looking to know how to separate non-taxable payments from foreign clients and taxable payments from U.

S clients they own a non-resident LLC Incorporated in Wyoming um okay so non-taxable payments from foreign clients and taxable payments from U.S clients so you receive income from foreign from a foreign source and you receive income from U.S sources um I'm thinking that's that's how I'm thinking that through that's what it's saying okay okay if that's the case um I mean you can separate that and that's possible but a bench that's actually one of benches um disqualifiers um if you have uh foreign related type things it's just

something that is not part of our business model you know we have to have be able to um service that in the best way you know and so um the way that it is now that's something we really don't do um yeah I think that would be if if it had like a foreign um owner right or or like a a subsidiary but you know you can receive um income from you know foreign customers or whatever I'm sure it happens quite often you know with with e-commerce and that sort of stuff um you know it really kind of depends on the circumstances and the facts of of

what's going on there oftentimes those foreign payments can be taxable to in the US tax code it depends on what the what type of you know whether it's a service or a product um and where the if it's a service where the service is being performed if it's being performed in the US likely it's taxable in the US even if it's from a foreign you know a foreign source so it's tough to have like a you know a one-size-fits-all answer to that type of question but I would suggest you know segregating those payments because your

your tax preparer your Tax Advisor can help you you'll figure out the taxability and figure out if there's any you know additional filings that you would need to do in other states or or in other countries even yeah this is something that we probably would look into on a tax advisory call you know and kind of research to see what um needs to happen in those cases that we would need to you know review you know your whole tax situation to see um you know how far we can go with that it also I think depends on whether

you're like a U.S taxpayer or or a foreign taxpayer because you know U.S taxpayers are going to you know the us is going to tax you on your worldwide income so it doesn't necessarily matter where it comes from um you know when you're out hitting that state by state if you're a multi-state you know business it can have some effects certainly so you know I guess the the general advice would be like I said earlier to to keep those in separate pots um or a spreadsheet with that information so that your your tax

preparer can can allocate that you know correctly when they're doing doing your taxes okay great uh we'll move on um so Denali is a question uh uh they're considering the bench Service uh they have an example question so uh I have a C Corp in Delaware uh and they currently live in California uh they say I'm starting with consulting services and hope to expand I'd like to file with IRS as an S corp for now is this possible without restructuring uh my business do I meet the requirements so um one of the things that I can think of

is the amount of shareholders you have um C Corps can have more shareholders than S Corps um s Corps can't have any more than 100 shareholders um so in your case you would want to make sure that you're in compliance with the amount of shareholders you have before becoming an S corp um and then also just making sure that you have enough cash to pay yourself that reasonable owner salary that's required by the IRS for escort shareholders yeah and I guess the other qualifications for an S corp would be

that there's only one class of stock so you can't have you know preferred and common stock um you know the both that and the shareholder number are issues that don't often come up um but you also need to be an eligible entity which you know includes these qualifiers assuming you're a C Corp in the United States with only us shareholders because I I believe an S corporation can't be 100 owned by a non-us taxpayer um I would have to double check that but I I don't think it's I don't think s

status is available to non-us taxpayers yeah also like as Patrick mentioned you know the the situation in your business needs to be right in order to support an S corp um you know you're required to take that shareholder salary as an S corporation um what else come here is there anything else that we're missing only thing else I would say is um you know it's really an election so there's a the form 2553 that you would have to complete timely uh then the um third month uh 15 day of the year uh not unless you

want to do a late election um which that's possible as well um but generally you know as long as you qualify for the things that were previously uh mentioned then uh you should be good to go I guess going back to the root of the question if you live in California have the Delaware C Corp I I don't think that I can't think of any issues that would you know state-wise it would would run off all that just know that you know you're going to have at least a Delaware franchise you know filing every year

you're not necessarily going to have a Delaware income tax return uh unless you do you know unless you have Nexus in Delaware which means you know you're doing have substantial connections to Delaware okay um so there's another question here related to um switching uh to S Corps from Shelby so moving from a single member LLC to an S corp what are the pros and cons common hurdles typical things you should typically you should pay yourself via payroll correct uh any tips or things to be aware aware of when starting

uh payroll um well the the pro um obviously for um as corporations and a lot of reasons why people actually do that uh election once they're a single member LLC is to save on the self-employment tax uh but it doesn't actually save you um as much as you think um if your net profit isn't at a certain area so we like to start uh suggesting that you know once your profit reaches well I start usually a hundred thousand but if you're at 68 000 and you expect to you know continually grow you know you're on a growth trajectory uh that's

when we were suggested because of the extra expense that you have of course you'll have payroll and then you'll also have an extra tax return you have to file 1120 ads you know employer a payroll provider things like that so it's extra administrative things so that could be a hurdle sometimes um um when starting payroll um to me there isn't really too many hurdles I mean we use Gusto as our provider um so uh just determining what your reasonable salary is that can be uh sometimes a hurdle as well

um depending on what your profit is so um you want to just make sure that not only um you know you're you're doing and taking it to consideration how much people get paid uh doing the things that you do in your business so actively and what you would pay someone off the street to do the same thing but you also have to be I have enough money left to pay yourself so those two things are what needs to be considered am I forgetting anything else no I didn't cut out for part of it um but I assume you covered it all splendidly

okay well I think we have time for one more question uh there's a good one here from Katie what are Best Practices when switching accountants if my accountant has worked with me through the year should I wait until 2022 taxes are filed until switching or is there a better time I would say you switch switch whenever you need to switch um you know if there's a reason why you're switching you know do it I both the prior cone and the the future con will figure out what to do it's obviously always easiest to switch at a

year end but you know if there's other reasons other than you know just wanting a difference you know it it's up it really depends on the circumstances and it's up to you it's easiest to do it at your end but do it whenever and also just making sure that um the accountant had you know good records on your books when you're switching to another account so that you have accuracy when you're moving forward with uh someone else wonderful thank you okay so with that uh we've got uh just less than one minute

left so we'll wrap up um what I will share in the chat here is if you are a bench client and you would like to um uh talk to your uh bookkeeper your account manager about learning more about our income tax services and our unlimited tax advisory if you think that you know just this quick preview here with our tax advisors was helpful imagine having one of them all to yourself to talk to you about your business uh for uh unlimited use all throughout the year so you can head to that link there in the chat that I've

pasted to talk with your account manager about upgrading your bench subscription otherwise if you are new to bench and you would like to give us a try you can actually try our services on a free no commitment no credit card required free trial uh what we do during the trial is we complete a month of your books within one business day and then provide you with a set of financial statements to keep so you can get a really quick sense of whether uh bench services are going to work for you um or not and you can start a free trial

by heading to the website there on the screen bench dot Co and lastly I'll say if you found today's session helpful please share our website with a fellow business owner we would love to meet them and help them out with their income tax questions so thank you everyone so much for your questions today we hope you enjoy the rest of your day take care

1. Tax Advisory Tuesday Q & A | September 20, 2022 - YouTube

**URL:**

<https://www.youtube.com/watch?v=WJkMG-bPXJQ>

**Views and time:**

**245 views / 24 months = 10.21 views per month**

**Keywords:**

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**Transcript:**

hello everyone good morning and good afternoon it is tax advisory tuesday today is tuesday september 20th uh we're excited to welcome you to our edition of ask a tax advisor our live q a with our in-house tax advisors where we're going to be talking all about small business income taxes just a few quick housekeeping notes for today's session it is being recorded and the recording will be shared with you later today to the email address that you use to register for this session so if you want to re-watch an answer or

maybe share with a fellow small business owner you'll be able to grab that recording in your email in your inbox later today we will be taking questions via the q a feature at the bottom of your screen so if you can submit your questions you can do so at any time we'll be answering the questions on a first come first serve basis but again if you can submit your questions via that q a button at the bottom of your zoom panel screen there um and you're also welcome to use the chat feature um if you want to maybe add additional

context to any of your questions or just chat with our tax advisors while you're getting your question answered you're certainly welcome to do that you can either submit uh messages in the chat so that only the myself the host and our panelists our tax advisors can see your comments in the chat or you can also change your chat settings to allow everyone to be able to see your comments just be mindful if you're doing it where everyone can see your comments not to share any financial or personal information that you wouldn't want made

publicly available all right so let me introduce myself my name is allison i'm your host i'm the content manager here at bench and i work on developing all kinds of helpful small business resources and guides um which are available on the bench blog which is at bench dot co forward slash blog if you haven't been there to check out all of our resources we have over 700 of them i highly recommend heading over there to check it out and so for those of you who may not be in the know about uh what bench is uh

i'll do a uh a quick overview here so bench is america's largest full-service bookkeeping solution for small businesses we pair you with our in-house expert bookkeepers to get your books up to date and compliant to irs standards uh if you have questions about running your business that even go beyond the scope of your books or your bookkeeping our bench bookkeepers are backed by our client research team and they are able to provide you with informed answers to all kinds of complex business questions that you might have

and that could include things about payroll or maybe if you're applying for a loan or a grant or maybe you have an upcoming meeting with an investor and you just have some questions that you want some guidance on you're able to ask your bookkeeper those questions and then they have the support of our client research team to get you informed answers so what does bookkeeping look like here at bench every month your bookkeeper organizes your business transactions and prepares financial statements and this

makes it easy to stay on top of your finances and track the health of your business month over month if your bookkeeper ever needs anything from you they will get in touch and if you ever have a question you can easily book a call with them or connect with them via the messages feature of our proprietary bench platform then at tax time we prepare what's called our year-end financial package and you can use this package to send everything that your account would need let's say to file your taxes if your accountant is the one filing your

taxes for you but if you file your own taxes you can use this package to help you do so and if that's a task that you don't particularly enjoy we can actually take that off your plate and handle your tax filing for you and so uh what does tax support look like at bed so if you're a bench client and you're subscribed to our premium plan you actually receive support from a whole team of tax experts so that's a tax coordinator tax preparer and the tax advisor and they work with your bookkeeper to

get you filed ahead of the deadlines but this tax support isn't just limited to tax season and and tax filing time uh this tax support is actually year round and that's so you can receive unlimited support from our tax advisors um and just going into a little bit more about what this unlimited tax advisory really looks like what it means uh basically at any time of the year you can book there's no limit to the number of calls you can book with our tax advisors so these calls will typically last anywhere up to one hour

during that time our tax advisors will just familiarize themselves with your business and your finances and answer any questions that you might have but specifically they're going to offer you valuable advice that's really tailored to your business structure and finances and then most importantly they're going to educate you on methods to reduce your future income taxes and income taxes is likely one of your businesses largest expenses so it's really beneficial to get them to help you look at how you can optimize

this expense all right so let's go ahead and meet our tax advisors today i'm thrilled to be joined by three of our tax advisors uh all in-house here uh we've got uh mark camilla and patrick so i'll let you uh three go ahead and introduce yourselves mark you can start sure uh as alison just said my name is mark i am a cpa i've been a cpa and a tax advisor for um a number of years now probably about seven um and i've i've worked at bench here for a little over a year and a half okay and hi everyone my name is camilla

franklin danny i'm an enrolled agent out of michigan i work directly with bench and just a little bit about enrolled agents enrolled agents are um it's a designation that the irs uh gives the people who apply for it uh there's a three-part test that you have to take and so we're similar to cpas in that we are able and authorized to do things in regards to tax whereas cpas are there to [Music] on a more broader range which includes tax and so i've been at bench maybe um one and a half years just a little bit

more than mark um and welcome we welcome your questions how's everybody doing my name is patrick i'm an enrolled agent out of dallas texas um i have about five years of tax experience um been in bench uh since october of last year wonderful thank you all right so uh we can now uh jump into some questions so again a reminder to please use the q a button at the bottom of your zoom panel to submit your questions and we'll just wait here a couple minutes for some questions to come in i know a common question we often get

asked here is about estimated quarterly taxes and we just passed that september 15th deadline a couple days ago one question that is often asked is what happens if you miss that deadline maybe you can uh start off with with that while we're waiting for some questions to come in well no worries i mean i don't want to say no worries but um you know we were just talking about this yesterday where um estimated taxes aren't as scary as you think you know if you have um amounts that are due okay first of all if you're a sole proprietor

as a corporation or partnership business you pay taxes with your personal uh return because those types of businesses are flow through entities and so the advent of um estimated tax starts uh when you expect all more than a thousand dollars in a prior year um personally so if that hasn't occurred then you really don't have an estimated tax requirement you know first of all and then okay second of all so if you have established that you have an estimated tax requirement um what you can do is just pay that amount

that you owed last year or you can estimate how much you can expect to owe usually um you will get vouchers uh with your prior year return that will expel out exactly how much you're supposed to pay that may or may not be correct depending on how much you know your your tax and how much um your business have done good or bad this year so if it's done worse then you may not owe as much as you owed in the prior year versus if you you know did really well you might owe more you know and it is a good idea you

know if you want to stay on top of it um to go ahead and pay more uh which these type of things are some type of things that we talk about um in our tax advisory call so that you can get a better understanding of what should be paid but if by chance you said oh well i didn't know i had to pay and so now it's past september 15th and now you only have the one uh due date which is january 2023 you can go ahead and just catch up all your payments at that time and for the most part you should be okay yeah and you don't need the only thing

i'll add is you don't need to wait until january 15th you can certainly pay paid now right that the irs in the states they're they're really good i just i i'm sure both of you have viswell but i've talked to my clients a lot about this the past couple weeks always telling the irs and the states are really good at accepting tax payments and they'll do it whenever whenever and however often you want um so you know even if you owe estimates and you want to make payments don't wait till that january 15th they

make it as soon as possible to avoid you know those underpayment penalties hey great thank you very much both um so we have a question from gary and this is uh seems like it's more of a bookkeeping question but i accidentally paid for an invoice with my personal card for a business expense how do i clear that up in my bookkeeping i'm not sure if that's something i mean there's there's tax expects of it too um you know the irs always wants to see cash moving to backup transactions right so i mean we could

just make it make a journal entry there to to fix it um you know by having it be like a contribution it depends on what type of entity obviously if it's a c corp it's a different whole different ballgame but you don't assuming this is a sole prop or a partnership or a s corporation you know you could just make a journal entry to like contributions and for the expense but it what the what really should happen is the company should reimburse you for that expense so you know if it was a hundred dollars for gas or something

like that you paid any personal card have the company pay you that hundred dollars for you know to reimburse that expense and then the company you know gets that expense on their on their financials and then you can take it on your tax return as a deduction and usually because uh bookkeeping is automated with the bank accounts that are set up um on the account connections if there's a transaction that um isn't a part of those connections then usually we'll ask for like a receipt or paid invoice that shows that

you made that expense on behalf of the business and that brings up a good point patrick too is you know record-keeping um you know i don't know that's not part of the question but but it's it's important to keep those receipts um you know i i think the irs tells you the business receipts you got to keep for what three three years i typically say seven years just to just to be safe yeah okay great thank you that was very helpful so gary we hope that answers your question uh and as of right now we have no other

questions we'll wait just a couple more minutes to see if you'd like to submit any other questions otherwise we can uh wrap up a bit early for today and again a reminder you can use that q a button at the bottom of your screen feel free to submit multiple questions if you have them yes we've got time today to cover them allison i just wanted to add that estimated tax question because we didn't talk about c corporations so they are slightly different in that um the threshold is 500 and you are supposed to pay uh estimated

tax in that case and you have to take a closer look at what your estimated taxes so we like to encourage everyone to if you are a bench tax client looking at this to go ahead and schedule your advisory calls which you can schedule at any time and we can talk about it you know at a more in a more personal level okay great okay great and for those who have joined late uh feel free to use the q a button at the bottom of your zoom panel to submit uh questions we will answer them as they come in uh but at this time we're still waiting

on some questions so we'll give you uh just a couple minutes here to submit any questions if you have them we've got three tax advisors here who can give you some great advice all right uh but i guess uh if there's no other questions then we can wrap up early today um i'll just say thank you everyone for dropping by oh great cardron we got it good question okay we'll pop back okay it looks like we only only got part of that question too coder can you continue on with the question maybe uh gordon just wanted to flag that he is

forming his question no yeah no no rush you're fine we'll stick around right uh while we're waiting for that question to come in i'll um i'll just uh walk everyone through if you're interested in trying out benches services we do offer a no commitment no credit card required free trial and during our free trial we actually have one of our bookkeepers will complete a prior month of your books in just one business day and they'll also put together a set of financial statements for you to keep and you can

take those away with you and so with our free trial basically what we're aiming to do is to give you a really quick understanding of whether benches services um are a good fit for you and if it's going to be the right solution for your bookkeeping and income tax needs and so you can start a free trial by visiting bench.

co uh and right now we are actually offering um a promo until september 29th and that promo is again available at bench.co so you're able to check that out there and so um after oh okay we've got uh the question here okay okay so kodran is saying i has a he has a long standing s corp um thinking of converting to an llc uh he's wondering if there's any drawbacks uh the issue has been real estate holding laws in ca i believe that's california versus tax reasons does that question make sense or do you

need any clarification on that sounds like he wants his escort election to be revoked so he wants to go back to becoming a regular llc or partnership i'm not sure what his uh previous entity structure was um but he could revoke that s corp election um i i didn't get the last part of it what was the reason for it uh the issue has been real estate holding laws in california i believe that is versus tax reasons okay um yeah well he is the short answer to that is he is able to um revert back to his former entity type as long as it is in a c corp

um but he if he was an llc or soul member llc or partnership he is able to revoke that escort election that he had um and then there would there be any drawbacks to doing so yeah i don't i don't know if any of it oh sorry go ahead i didn't i was going to say the only drawback to that is that he would have to go back to paying um self-employment taxes which is that 15.

3 of um business income that he would have to pay for um and he wouldn't be able to pay himself any salary if he was a sole member llc or um a partnership um well if he was a partnership he would pay himself what's called a guaranteed payment and not a reasonable owner salary that he would have to if he was an escort yeah of course so specifically with the real estate holding laws i guess i'm not super familiar and i did a quick search here and nothing nothing popped up so i don't know if there's anything specific

related to california and holding real estate um in a corporation or an s corporation but typically i would advise my clients not to put appreciable property which includes you know like a rental real estate in into any sort of corporation or an s corporation because you know if you were to do this revocation or if you were to you know liquidate the company um if the real estate had you know a pre increased in value by distributing it distributing it to the shareholder it would create a taxable event um on that

gain so you would likely have capital gains um you know if there's a building for example or a house in there um or multiple ones you know that that's why we like to you know i tell my clients to you know keep keep those in llc's you know as disregarded enemies so we don't don't down the line have you know right because the the ownership went from the corporation which is owned by you back to you so it's you you have control of it the whole time but you're passing ownership so back and forth

there there can be tax effects when there wouldn't be if it was not a corporation like i said i don't know california specifically if there's anything that that modifies that he's saying he doesn't want to revert he just wants to convert um it just seemed like if you're going to convert it and keep the s corporation standard it doesn't seem like there would be any what converted to back to a llc i don't know if that's possible i mean he said he's done it but not on entities with lots of history

yeah i think we might need to know like the facts of the case a little bit to in order to get you know give a tailored answer to that um but i i would certainly talk to a you know your tax professional before you did anything like that just to make sure you're completely aware of how those whatever that decision or whatever you know transactions you make would affect you uh your personal tax liability okay great so yes so sorry god and we don't have a specific answer for you i'm sorry yeah that's all right he says thank you

uh it does seem like a fairly complex case um so that's good advice mark to speak with a tax professional so gary has a question here i'm currently a sole proprietor but thinking of creating an llc for personal asset protection would this be beneficial for that purpose and will my taxes still be combined with my personal taxes that's a great question um so i mean you definitely can create a llc so you're saying that you're a sole proprietor you just started a business but you never went to any state um

uh municipality and uh create a llc so that's definitely possible um and it is beneficial for you know not uh the corporate veil being peers but you you do want to you know separate things as far as like having a bank account and things like that um that are in the business name and but at the same time for taxes purposes uh yes it will still be combined with your personal taxes so it'll be claimed on a schedule c uh the same way um as it would as a sole proprietor because llcs are either uh depending on how many members you

have they would be either single member which means one person or if there's more than one it would be a multi-member llc which defaults for tax purposes as a partnership so if it's just you and you're just adding the llc uh with your state it your tax situation would not really change you'll probably just be adding your ein number if if you had not have had one and um you know legally if and when i speak illegally let me just give that disclaimer but i'm just saying as far as um personal asset protection it it's more

than just having an llc that's basic but you do have to prove certain um things to determine you know that uh legally if something can happen or not but for tax purposes yes it would be the same and also ted if they're looking to um register an llc depending on the state that they're in they'll have um obligations of paying certain franchise taxes to have you know privileges businesses there yeah for example california you you have to pay 800 bucks for an llc no matter what your activity is essentially so it

is i think that's probably the most expensive one out there but there there are additional like patrick said additional responsibilities with having an llc compared to having a sole prop and i guess you can also elect to have that llc if you're eligible to be for example an s corporation or ad at a member or partner for for a partnership so each of those entities is still eventually combined with your personal taxes but you know if you chose to be one of those other entities they would have a separate tax return and then

issue you like a reporting statement called a k1 which then you would report on your taxes as you you know do a w-2 or other 1099s for example right all right thank you everyone for your insights there we hope that answers your question gary uh and so um with that there's no more questions but let us know if you're wanting to submit one we can certainly give you another minute or two to answer your questions um all right well it looks like then we can wrap up there so thank you again everyone for your questions uh we hope you've found uh the

sneak preview of our tax advisory services helpful and insightful today uh and again uh uh if you think that um having a you know a call like this with either patrick mark or kamiah unlimited throughout the year would be beneficial to your business uh reach out to either your bench bookkeeper if you're already a bench client or you can do a free trial with us at bench.

co and if you found today's submission helpful please share our website with a fellow small business owner who you think might also benefit from receiving some help with their income tax questions we'd love to see how we can help them and thanks again everyone for your time and we hope you enjoy the rest of your day take care

1. Tax Advisory Tuesday Q & A | September 6, 2022 - YouTube

**URL:**

<https://www.youtube.com/watch?v=Jgsgwg_vgXU>

**Views and time:**

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**Transcript:**

hello everyone good morning and good afternoon uh Welcome to our ask a Tax Advisor live q a session it is Tuesday September 6th and we are looking forward to speaking with you today about small business income taxes I have a very few quick housekeeping items before we dive into today's session it is being recorded so please um keep an eye out on your inbox we'll be emailing out that recording that will be sent to the email that you used to register for today's event and you can use that to watch uh if you want to

re-watch the answers that were provided to you you can certainly do so by jumping into that email and viewing that recording feel free to use the chat feature here in Zoom just be sure to change the setting to panelists and attendees so everyone can see your comments but with that in mind when using the chat um uh just be mindful not to share any personal or financial information that you wouldn't want included or discussed in this video recording and then that's going to be shared publicly with others

so keep that in mind but we will be taking your questions via the Q a button which is at the bottom of your Zoom screen in your Zoom panel you're able to you you're able to submit your questions at any time now we're going to be answering them on a first come first serve basis so uh feel free to submit your questions uh before we really dive in here and then we'll um we'll be answering them in just a couple minutes time let me introduce myself my name is Allison I work here at bench I produce

all kinds of helpful resources and small business guides that are available on the bench blog and that found at bench.co forward slash blog so check those out if you haven't already so let's get into a quick overview of what bench is in case you're not familiar bench is America's largest full service bookkeeping solution for small businesses so we pair you with our in-house expert bookkeepers to get your books up to date and compliant with IRS standards and if you ever have questions about running your business that go even

beyond the scope of your bookkeeping our bookkeepers are actually backed by our client research team and they are a team who are able to provide you with informed answers to complex business questions that even go beyond the scope of your books or bookkeeping um and so what does bookkeeping look like here at bench uh every month your bench bookkeeper organizes your business transactions and prepares financial statements and this makes it easy to stay on top of your finances and track the health of your business month over

month if your bookkeeper ever needs anything from you they will get in touch with you but if you ever have a question for them you can easily book a call with them or reach out to them via messages feed inside of our platform then at tax time we prepare what we call our year-end Financial package and so that package can be used by your accountant to file your taxes for you if they're the one doing that or you can use this package to file your own taxes if that's how if if you file your own taxes but we can also take tax filing

off of your plate if it's not a task you enjoy doing we can certainly take that off your hands and take care of that for you and so our tax support is uh actually uh uh granted from a whole team of uh tax uh uh members here at bench so we've got uh the tax coordinator who works with your bookkeeper the tax preparer and our tax advisors uh who have got to joining me today uh and so everyone works together with your bookkeeper to get you filed ahead of the tax deadlines and this tax support isn't just limited to tax time

our tax advisors like Mark and Kamia who've joined me today are actually on hand year round uh for an uh unlimited tax advisory consultations and so what is unlimited tax advisory so basically when you're a bench client and you're subscribed to our premium package which includes bookkeeping and tax support um you can book an unlimited number of calls with your Tax Advisor and these calls can last for anywhere up to an hour and during that time they'll familiarize themselves with your finances get to know a little bit more

about your business answer any specific questions that you have but most importantly they're going to answer they're going to be able to provide you with informed answers and guidance that's tailored specifically to your business and they're going to educate you on methods to reduce your future income taxes as well which is for many businesses this is your largest expense so uh you know really beneficial to get this uh expense optimized and reduced as much as possible and again this service is available to

you year round any time of the year not just during tax season so uh why don't we go ahead and meet our tax advisors we've got Kamia and Mark I'll let you go ahead and introduce yourselves hi good afternoon good morning um Camille Franklin enrolled agent I'm uh from Detroit Michigan I work directly with bench as an employee um just a little bit about uh enroll agents enroll agents are licensed uh via the IRS and are able to practice over 50 states similar to a CPA where CPA uh is licensed through their state and they

handle a wide array of things versus us are do more tax related things so it's nice to meet everyone and I've been here maybe about a year and a half sure and my name is Mark as Allison as I mentioned I'm a CPA um I've been at bench for just about as long as Kamia has um and Ben SCP for a little bit longer than that um welcome and happy to see you all here today wonderful thank you Korean Mark okay so just a reminder you can submit your questions via the Q a button at the bottom of your Zoom screen there's a

panel there at the bottom and there's a q a button which you can submit your questions there and we'll answer them um on a first come first serve basis so we'll Dive Right In we've got a question from Alexia and I'll read this out here so I'm a freelance illustrator who works from home in a dedicated home office room I'm trying to figure out my quarterly business expenses for my estimated taxes uh that deadline of course is coming up on September 15th um in counting up all my expenses to

determine my taxable income can I add my home office deduction slash business percentage of the room to my quarterly business expenses or can I only add the deduction when I do my annual taxes that's a great question okay yeah that's a great question well I mean if you wanted to you could keep track of that I do know that some of our bench bookkeepers if you give them um your information they do keep track of it if you're a bench employed but what it is um home office expenses first they have to be

um you know the room that you use have to be exclusive so you shouldn't do any other work uh or uh personal type things in that same area that you do that's not to say that um like if you have one room um and you do more than one thing in that room like as long as you have that air the area of the room and correct me if I'm wrong if you have one area of the room then you can use that specific area um as expenses or you can choose to do what they call um they have a standard uh that they've allowed you to do now where you can do

five dollars per square foot up to 300 uh square feet and so that equals fifteen hundred dollars a year so if you wanted to go that as a benchmark you could use that now one other thing I wanted to say is uh home office expenses um become carryovers if you don't have a profit at the end of the year so um keep that in mind because that may um change you know how the the deductibility of that home office expense yeah and the excellent information there and with regards to estimating your you know quarterly taxes

you know you could you know take an estimate of what you think it's going to be and and throw it in there I I you know I don't think it's necessarily something that you need to get down to the you know the dollar um with all your exact tax you know or your taxable income is going to be when you know figuring out estimates it's okay to to rounding or to do estimations that's what we would do as professionals too so I I guess my advice would be don't beat yourself up over it if it's you know

tough to figure out or you know not just complicated to figure out you could go ahead and go without it and then you know figure it out when you're filing your taxes and and reconcile it there okay great Lexi we hope that answers your question uh the next question oh yeah great uh okay uh Umesh says I have opened an LLC recently I'm expecting to make around 100k this year as profit can I invest this 100K to purchase a property instead of a car Section 179 what are the benefits sure I'll take this one

um so I mean you can use that money to do whatever you want with it it's your money right it's your business um you know tax benefit wise you know a car you can't always write off the entire month you know a lot of cases you can obviously you can only write off whatever business portion it is and then sometimes it's limited by you know a certain amounts even though 179 um if it's you know in certain classes of vehicles um so if you're put you know alternatively if you're looking to

purchase property I I assume you're talking you know real property like like a rental maybe or a building um those don't necessarily have the same familiar tax write-offs that purchasing like a car would have um typically you know if it's land you know you don't really get to write that off at all you get to keep the the basis amount which is what you pay for and use that you know against whatever you end up selling it for uh to determine your gain or loss but you don't get to write that off as you go you know like you

don't get to depreciate land um for rental real estate or for um you know commercial real estate if that's what you're looking at you can recapture those over 27 and a half years and 32 years I think or 31 years or sorry can you guys at 30. I think 37 years actually yeah okay yeah yeah anyways a long period of time um which essentially you get to divide the the cost of that real estate whether it's residential or commercial by you know either 27 and a half or I believe 39.

39 years yeah you get to recuperate that amount in depreciation every year that it's in service so you know purchasing a real estate for a hundred thousand dollars you likely only get a small fraction of that as a write-off for the current year so it wouldn't necessarily get rid of much tax liability or tax obligations uh does that did that make sense come here yeah I mean the only other thing I would say is um like he was saying okay so you're going to depreciate whatever that percentage is for the 39 over the 39

year period you know that year so but the rest of it it becomes an asset you know the property becomes an asset of the business if it's in the your business name and so uh you know that could be beneficial if you're trying to um get some type of valuation or if you're trying to you know prove the value of the business so I mean it does help you in that sense you know not saving on taxes per se you know but if it's cash flow like if it's cash flow looking forward and you're expecting cash flow from this you know then it's a

business decision rather than a tax decision right if if you're going to buy a rent a property and it's you know gonna make you money maybe that's what you want to do rather than trying to save taxes by you know buying something that's going to get your write-off right you can still get the write-off um yeah over the depreciation over time over 39 years so if something is this is just simply you know if something is a hundred thousand dollars you know basis you divide that by 39 and then whatever

that number is is your is what you get as the write-off for that year versus um you know here her currently if you do a vehicle because of the new um bonus depreciation rules and things like that because of covet and tax cuts and jobs act and things like that they are allowing you to do more uh take more of a depreciation for a car because you know the um the year um the depreciation year that you can claim for occurs only five so obviously if you're spending sixty thousand dollars on a car over five years that

first of all is more and now they'll let you take more all in one year so what we're saying is the residential uh residential commercial or property in itself is a different type a different class of uh property and so that has a longer range that you can write it off for so that's awesome exactly and yeah we're seeing this all with the the caveat that you know these are business use you know property or business use car right if it's a personal car you don't get right off at all right that

would be a distribution from your LLC to yourself um you know a personal property same deal you know so you don't it needs to be business use in order to get you know a tax benefit for it okay um and I think so uh Amish I hope we've cleared that up but uh he did add a an additional comment here so are you saying because the car is depreciating asset but a single home residential is appreciating so I don't get it right off but so depreciation for you know tax purposes is different than whether something gains or loses value which we

talk about you know depreciation or appreciation that's a kind of a separate concept than tax depreciation text appreciation is recuperating the cost of something used in your business which you know for a vehicle you do over five years or you can accelerate that into the first year for a residential rental property you can do it over 28 and a half years you know that residential rental probably is going to last longer than that but that's what the IRS allows you to take that depreciation you know at that rate so you still you still get

depreciation for like a residential rental um but it's at a much lower rate you get it over 2 27 and a half years rather than either five years or all up in front for for a vehicle great hopefully we've answered that for you um and that looks like that's all the questions we have right now uh we'll give um those in attendance just a couple more minutes if you'd like to submit your question again a reminder you can do so via the Q a button at the bottom of your Zoom screen and we'll be happy to answer your

questions um oh okay umish has another question here if I purchase a car less than six thousand pounds okay so this might be um outside of the U.S how does the tax write-off work oh no he's probably talking about the weight of the car okay that's okay you can still take a depreciation for it like I was saying his useful life of a vehicle is uh you know generally five years unless you choose to do some type of bonus depreciation or Section 179 I mean there are bonus depreciation things written into the law now it's just not the whole

entire uh amount unless it you know they have those special um specifications for vehicles that are considered heavy which is the six thousand pound thing so um um and I believe it's 25 000 is the is the um max I would have to look that up but I believe the max would be like 25 000.

you can get your regular um depreciation whatever the amount is uh over the five-year period depending on how much the vehicle is worth or how much your base is in the vehicle is and then you could get some bonus depreciation based on you know the value of the vehicle once you've already taken um up to I believe is twenty five thousand dollars yeah I think the total of both those maybe is capped at like the 25 000.

yeah so you can get more but um it's just not as much as it's you know because they they have they've written some special things in to try to stimulate the economy and to try to get people you know relief because of covert and stuff like that so um so yeah you still get a deduction and still accelerated sometimes it's just limited and it might you know fall over a couple of years rather than all up front you know all the front yeah okay great well I learned things every week here I didn't realize the weight comes into it okay

um all right um uh yeah if there's any further questions I see some uh people have joined us a bit late so again you can submit your questions uh using that q a button at the bottom of your Zoom screen um uh but uh maybe for now I'll just jump ahead and um uh just walk you through um you know if you're interested in receiving Services you know like um what we're kind of going through today here but on an unlimited basis where you could you know speak with someone like Kamia or Mark um uh throughout the whole year uh to

help you you know optimize uh your income taxes and answer all these questions that you have about all these nuances to do with with taxes um you can give bunch of a free try we have a no commitment trial where we actually complete a prior month of your bookkeeping within just one business day and we provide you with a set of financial statements to keep and this allows you to quickly see if bench is the right fit for your bookkeeping and tax needs before you make a decision um and so I'll just wrap things up by

saying if you found today's session helpful please share our website with a fellow business owner who you think might also benefit from getting their small business income tax questions answered by our experts here we would love to meet them and see how we can help so thanks again everyone for uh joining us today and for uh submitting your questions and we hope you enjoy the rest of your day bye

1. Tax Advisory Tuesday Q & A | September 6, 2022 - YouTube

**URL:**

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**Keywords:**

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**Transcript:**

hello everyone good morning and good afternoon uh Welcome to our ask a Tax Advisor live q a session it is Tuesday September 6th and we are looking forward to speaking with you today about small business income taxes I have a very few quick housekeeping items before we dive into today's session it is being recorded so please um keep an eye out on your inbox we'll be emailing out that recording that will be sent to the email that you used to register for today's event and you can use that to watch uh if you want to

re-watch the answers that were provided to you you can certainly do so by jumping into that email and viewing that recording feel free to use the chat feature here in Zoom just be sure to change the setting to panelists and attendees so everyone can see your comments but with that in mind when using the chat um uh just be mindful not to share any personal or financial information that you wouldn't want included or discussed in this video recording and then that's going to be shared publicly with others

so keep that in mind but we will be taking your questions via the Q a button which is at the bottom of your Zoom screen in your Zoom panel you're able to you you're able to submit your questions at any time now we're going to be answering them on a first come first serve basis so uh feel free to submit your questions uh before we really dive in here and then we'll um we'll be answering them in just a couple minutes time let me introduce myself my name is Allison I work here at bench I produce

all kinds of helpful resources and small business guides that are available on the bench blog and that found at bench.co forward slash blog so check those out if you haven't already so let's get into a quick overview of what bench is in case you're not familiar bench is America's largest full service bookkeeping solution for small businesses so we pair you with our in-house expert bookkeepers to get your books up to date and compliant with IRS standards and if you ever have questions about running your business that go even

beyond the scope of your bookkeeping our bookkeepers are actually backed by our client research team and they are a team who are able to provide you with informed answers to complex business questions that even go beyond the scope of your books or bookkeeping um and so what does bookkeeping look like here at bench uh every month your bench bookkeeper organizes your business transactions and prepares financial statements and this makes it easy to stay on top of your finances and track the health of your business month over

month if your bookkeeper ever needs anything from you they will get in touch with you but if you ever have a question for them you can easily book a call with them or reach out to them via messages feed inside of our platform then at tax time we prepare what we call our year-end Financial package and so that package can be used by your accountant to file your taxes for you if they're the one doing that or you can use this package to file your own taxes if that's how if if you file your own taxes but we can also take tax filing

off of your plate if it's not a task you enjoy doing we can certainly take that off your hands and take care of that for you and so our tax support is uh actually uh uh granted from a whole team of uh tax uh uh members here at bench so we've got uh the tax coordinator who works with your bookkeeper the tax preparer and our tax advisors uh who have got to joining me today uh and so everyone works together with your bookkeeper to get you filed ahead of the tax deadlines and this tax support isn't just limited to tax time

our tax advisors like Mark and Kamia who've joined me today are actually on hand year round uh for an uh unlimited tax advisory consultations and so what is unlimited tax advisory so basically when you're a bench client and you're subscribed to our premium package which includes bookkeeping and tax support um you can book an unlimited number of calls with your Tax Advisor and these calls can last for anywhere up to an hour and during that time they'll familiarize themselves with your finances get to know a little bit more

about your business answer any specific questions that you have but most importantly they're going to answer they're going to be able to provide you with informed answers and guidance that's tailored specifically to your business and they're going to educate you on methods to reduce your future income taxes as well which is for many businesses this is your largest expense so uh you know really beneficial to get this uh expense optimized and reduced as much as possible and again this service is available to

you year round any time of the year not just during tax season so uh why don't we go ahead and meet our tax advisors we've got Kamia and Mark I'll let you go ahead and introduce yourselves hi good afternoon good morning um Camille Franklin enrolled agent I'm uh from Detroit Michigan I work directly with bench as an employee um just a little bit about uh enroll agents enroll agents are licensed uh via the IRS and are able to practice over 50 states similar to a CPA where CPA uh is licensed through their state and they

handle a wide array of things versus us are do more tax related things so it's nice to meet everyone and I've been here maybe about a year and a half sure and my name is Mark as Allison as I mentioned I'm a CPA um I've been at bench for just about as long as Kamia has um and Ben SCP for a little bit longer than that um welcome and happy to see you all here today wonderful thank you Korean Mark okay so just a reminder you can submit your questions via the Q a button at the bottom of your Zoom screen there's a

panel there at the bottom and there's a q a button which you can submit your questions there and we'll answer them um on a first come first serve basis so we'll Dive Right In we've got a question from Alexia and I'll read this out here so I'm a freelance illustrator who works from home in a dedicated home office room I'm trying to figure out my quarterly business expenses for my estimated taxes uh that deadline of course is coming up on September 15th um in counting up all my expenses to

determine my taxable income can I add my home office deduction slash business percentage of the room to my quarterly business expenses or can I only add the deduction when I do my annual taxes that's a great question okay yeah that's a great question well I mean if you wanted to you could keep track of that I do know that some of our bench bookkeepers if you give them um your information they do keep track of it if you're a bench employed but what it is um home office expenses first they have to be

um you know the room that you use have to be exclusive so you shouldn't do any other work uh or uh personal type things in that same area that you do that's not to say that um like if you have one room um and you do more than one thing in that room like as long as you have that air the area of the room and correct me if I'm wrong if you have one area of the room then you can use that specific area um as expenses or you can choose to do what they call um they have a standard uh that they've allowed you to do now where you can do

five dollars per square foot up to 300 uh square feet and so that equals fifteen hundred dollars a year so if you wanted to go that as a benchmark you could use that now one other thing I wanted to say is uh home office expenses um become carryovers if you don't have a profit at the end of the year so um keep that in mind because that may um change you know how the the deductibility of that home office expense yeah and the excellent information there and with regards to estimating your you know quarterly taxes

you know you could you know take an estimate of what you think it's going to be and and throw it in there I I you know I don't think it's necessarily something that you need to get down to the you know the dollar um with all your exact tax you know or your taxable income is going to be when you know figuring out estimates it's okay to to rounding or to do estimations that's what we would do as professionals too so I I guess my advice would be don't beat yourself up over it if it's you know

tough to figure out or you know not just complicated to figure out you could go ahead and go without it and then you know figure it out when you're filing your taxes and and reconcile it there okay great Lexi we hope that answers your question uh the next question oh yeah great uh okay uh Umesh says I have opened an LLC recently I'm expecting to make around 100k this year as profit can I invest this 100K to purchase a property instead of a car Section 179 what are the benefits sure I'll take this one

um so I mean you can use that money to do whatever you want with it it's your money right it's your business um you know tax benefit wise you know a car you can't always write off the entire month you know a lot of cases you can obviously you can only write off whatever business portion it is and then sometimes it's limited by you know a certain amounts even though 179 um if it's you know in certain classes of vehicles um so if you're put you know alternatively if you're looking to

purchase property I I assume you're talking you know real property like like a rental maybe or a building um those don't necessarily have the same familiar tax write-offs that purchasing like a car would have um typically you know if it's land you know you don't really get to write that off at all you get to keep the the basis amount which is what you pay for and use that you know against whatever you end up selling it for uh to determine your gain or loss but you don't get to write that off as you go you know like you

don't get to depreciate land um for rental real estate or for um you know commercial real estate if that's what you're looking at you can recapture those over 27 and a half years and 32 years I think or 31 years or sorry can you guys at 30. I think 37 years actually yeah okay yeah yeah anyways a long period of time um which essentially you get to divide the the cost of that real estate whether it's residential or commercial by you know either 27 and a half or I believe 39.

39 years yeah you get to recuperate that amount in depreciation every year that it's in service so you know purchasing a real estate for a hundred thousand dollars you likely only get a small fraction of that as a write-off for the current year so it wouldn't necessarily get rid of much tax liability or tax obligations uh does that did that make sense come here yeah I mean the only other thing I would say is um like he was saying okay so you're going to depreciate whatever that percentage is for the 39 over the 39

year period you know that year so but the rest of it it becomes an asset you know the property becomes an asset of the business if it's in the your business name and so uh you know that could be beneficial if you're trying to um get some type of valuation or if you're trying to you know prove the value of the business so I mean it does help you in that sense you know not saving on taxes per se you know but if it's cash flow like if it's cash flow looking forward and you're expecting cash flow from this you know then it's a

business decision rather than a tax decision right if if you're going to buy a rent a property and it's you know gonna make you money maybe that's what you want to do rather than trying to save taxes by you know buying something that's going to get your write-off right you can still get the write-off um yeah over the depreciation over time over 39 years so if something is this is just simply you know if something is a hundred thousand dollars you know basis you divide that by 39 and then whatever

that number is is your is what you get as the write-off for that year versus um you know here her currently if you do a vehicle because of the new um bonus depreciation rules and things like that because of covet and tax cuts and jobs act and things like that they are allowing you to do more uh take more of a depreciation for a car because you know the um the year um the depreciation year that you can claim for occurs only five so obviously if you're spending sixty thousand dollars on a car over five years that

first of all is more and now they'll let you take more all in one year so what we're saying is the residential uh residential commercial or property in itself is a different type a different class of uh property and so that has a longer range that you can write it off for so that's awesome exactly and yeah we're seeing this all with the the caveat that you know these are business use you know property or business use car right if it's a personal car you don't get right off at all right that

would be a distribution from your LLC to yourself um you know a personal property same deal you know so you don't it needs to be business use in order to get you know a tax benefit for it okay um and I think so uh Amish I hope we've cleared that up but uh he did add a an additional comment here so are you saying because the car is depreciating asset but a single home residential is appreciating so I don't get it right off but so depreciation for you know tax purposes is different than whether something gains or loses value which we

talk about you know depreciation or appreciation that's a kind of a separate concept than tax depreciation text appreciation is recuperating the cost of something used in your business which you know for a vehicle you do over five years or you can accelerate that into the first year for a residential rental property you can do it over 28 and a half years you know that residential rental probably is going to last longer than that but that's what the IRS allows you to take that depreciation you know at that rate so you still you still get

depreciation for like a residential rental um but it's at a much lower rate you get it over 2 27 and a half years rather than either five years or all up in front for for a vehicle great hopefully we've answered that for you um and that looks like that's all the questions we have right now uh we'll give um those in attendance just a couple more minutes if you'd like to submit your question again a reminder you can do so via the Q a button at the bottom of your Zoom screen and we'll be happy to answer your

questions um oh okay umish has another question here if I purchase a car less than six thousand pounds okay so this might be um outside of the U.S how does the tax write-off work oh no he's probably talking about the weight of the car okay that's okay you can still take a depreciation for it like I was saying his useful life of a vehicle is uh you know generally five years unless you choose to do some type of bonus depreciation or Section 179 I mean there are bonus depreciation things written into the law now it's just not the whole

entire uh amount unless it you know they have those special um specifications for vehicles that are considered heavy which is the six thousand pound thing so um um and I believe it's 25 000 is the is the um max I would have to look that up but I believe the max would be like 25 000.

you can get your regular um depreciation whatever the amount is uh over the five-year period depending on how much the vehicle is worth or how much your base is in the vehicle is and then you could get some bonus depreciation based on you know the value of the vehicle once you've already taken um up to I believe is twenty five thousand dollars yeah I think the total of both those maybe is capped at like the 25 000.

yeah so you can get more but um it's just not as much as it's you know because they they have they've written some special things in to try to stimulate the economy and to try to get people you know relief because of covert and stuff like that so um so yeah you still get a deduction and still accelerated sometimes it's just limited and it might you know fall over a couple of years rather than all up front you know all the front yeah okay great well I learned things every week here I didn't realize the weight comes into it okay

um all right um uh yeah if there's any further questions I see some uh people have joined us a bit late so again you can submit your questions uh using that q a button at the bottom of your Zoom screen um uh but uh maybe for now I'll just jump ahead and um uh just walk you through um you know if you're interested in receiving Services you know like um what we're kind of going through today here but on an unlimited basis where you could you know speak with someone like Kamia or Mark um uh throughout the whole year uh to

help you you know optimize uh your income taxes and answer all these questions that you have about all these nuances to do with with taxes um you can give bunch of a free try we have a no commitment trial where we actually complete a prior month of your bookkeeping within just one business day and we provide you with a set of financial statements to keep and this allows you to quickly see if bench is the right fit for your bookkeeping and tax needs before you make a decision um and so I'll just wrap things up by

saying if you found today's session helpful please share our website with a fellow business owner who you think might also benefit from getting their small business income tax questions answered by our experts here we would love to meet them and see how we can help so thanks again everyone for uh joining us today and for uh submitting your questions and we hope you enjoy the rest of your day bye

1. Tax Advisory Tuesday Q & A | August 30, 2022 - YouTube

**URL:**

<https://www.youtube.com/watch?v=NSvRcBeJkbw>

**Views and time:**

**266 views / 24 months = 11.08 views per month**

**Keywords:**

No keywords

**Transcript:**

hello good morning and good afternoon uh welcome to tax advisory tuesday uh today we are excited to kick off our ask a tax advisor our live q a session where we're going to talk about small business income taxes i have some very quick housekeeping for today's session it is being recorded and the recording will be shared with you uh by email later today and that'll be sent to the email address that you use to register for today's session so keep an eye out on your inbox for that if you want to re-watch the recording and

just listen to your answer again you'll be able to do that later today feel free to use the chat feature here in zoom uh just be sure to change the setting to panelists and attendees so everyone can see your comments but when using the chat just be mindful not to share any personal or financial information that you wouldn't want publicly shared in a video recording and lastly we will be taking questions via the q a button at the bottom of your screen and those will be answered on a first come first serve basis

so please go ahead you can start submitting your questions at any time now and we will answer them on a first come first serve basis but again please submit your questions through the q a button not the chat that's just to make sure that we don't miss your questions all right so let me introduce myself my name is alison i work at bench on the content team uh i work on producing all kinds of helpful resources and small business guides which you can find on the bench blog and that's at bench dot co forward slash

blog so if you haven't seen our blog please go ahead check it out after today's session uh there's lots of helpful information there available to you so for those of you not in the know let's just quickly cover uh what exactly is bench so bench is actually america's largest full-service bookkeeping solution for small businesses we pair you with our in-house expert bookkeepers to get your books up to date and compliant with irs standards and if you ever have questions about running your business that even go beyond the

scope of bookkeeping our bench bookkeepers are backed by our client research team and what they do is they provide you with informed answers to complex business questions so uh you know in addition to bookkeeping support as well as income tax support we can also help you with a whole number of other aspects of running your business uh we're really here to provide you with a full support team so what does bookkeeping look like here at bench so every month your bench bookkeeper organizes your business transactions and prepares financial

statements and that makes it easy for you to stay on top of your finances and track the health of your business month over month if your bookkeeper ever needs anything from you they'll get in touch with you but if you ever ever have a question you can easily book a call with them then at tax time we prepare what we call a year-end financial package and you can use this financial package to either send to your accountant if they're the ones that are filing your taxes for you or you can use this package to file your

own taxes if that's the way you go but if you don't like filing your own taxes it's a something that probably most of us don't particularly enjoy we can actually take that off your plate and file your taxes for you as well so what exactly does this tax support look like uh our tax services actually include a whole team of tax experts who work directly with your in-house bookkeeper to get you filed ahead of the deadline uh and this tax support i'll say it isn't just limited to tax season or tax

filing time uh our tax advisors like uh kamiyah and mark who have joined me here today are actually on hand to support your business and answer your questions year round with uh um unlimited tax advisory consultations so our unlimited tax advisory is available to uh bench clients who are subscribed to our premium package and that package includes both bookkeeping and income tax services and so as part of that package you can actually book um an unlimited number of calls with our tax advisors at any time of the year and these calls typically

will last up to one hour uh during that time they are going to familiarize themselves with your business ask you some questions about your finances your your filing structure and they're also going to answer any questions that you have and offer valuable advice that's really tailored specifically to your business and most importantly they're going to educate you on methods to reduce your future income taxes and this is likely one of your businesses largest expenses so it's really beneficial to get that

expense optimized and reduced as much as possible and again this service is available year-round on an unlimited basis there are no limits to how many consultations you can book okay so let's go ahead and meet our tax advisors who have joined me here today so uh come here i'll let you kick off with introductions okay great hi hi everyone um my name is kamiyah franklin i'm an enrolled agent out of michigan united states i work directly with bench tax um advisory department i've been here for a little over a year

um just a couple of things about what an enroll agent is so an enrolled agent is a similar designation to a cpa the only thing is we mostly handle things that are related to taxes and representing you in front of the irs whereas a cpa handles taxes as well as other things such as audits and being able to sign documents for you um you know and certify things in the testing so um in a snapshot way that's what an enroll agent is and it's nice to meet you and bring your questions on thanks and as kamiah mentioned uh cpa that is

who i am my name is mark i'm a cpa been cpa for a number of years um and i've been a bench for exactly two weeks shorter than camilla has so uh me and her are kind of the uh original founder founding members of the tax advisory team at this point it's wonderful thank you both again so much for joining me today okay so we'll uh jump into the questions now so just a reminder again um please submit your questions via that q a button at the bottom of your screen we've got a couple questions in already

which is great so we're going to answer these questions on the first come first serve basis as they come in so feel free to to go ahead now if you haven't already and submit your questions with that q a button okay so we will dive into the first question uh all right it says can you claim business expenses on taxes if you use your personal contributions particularly in the case of startups when you can't get business loans or you don't yet have business credit okay um i guess i can take that first

yes you can um if your startup um what what the what the rule is um you should be active you know you should have declared uh your business is actually open and active for business and once that the cases you can claim any ordinary and necessary expenses so that's not to say if you have spent things prior to you know dating yourself or making your your business active you can claim those but um those are considered startup expenses which sometimes have to be amortized over a five-year period but you can still claim it long as they are

ordinary and necessary and sometimes you can claim those uh in the same year in certain cases depending on what they are so yes um and if you use your personal contributions those will be considered um equity or uh money that you have put into the business and so that becomes a value to the business you know a way to start your basis or your value in your business um so it doesn't really go away um and it's used um to be able to value your business later if it's ever sold or there are things uh that we use that for

you know for tax purposes so yes you can so um yes absolutely yeah as as to be mentioned you know it's the startup expenses are what what happens before you know your business starts right and those have special rules but in general you know lots of businesses have expenses that that happen you know before they have revenue coming in um and and those wouldn't necessarily be startup expenses right because startup expenses are before the business starts um but yeah you know ordinary necessary expenses it doesn't matter where you're

getting the cash from you know you can deduct those um you know if it's a personal contribution whether that's equity it could be debt too if you want to you know structure it as a like a loan you know depending on what type of business you know entity structure you want to have maybe a loan would make more sense if it's a loan it probably should have you know terms and an uh an official loan agreement between you know you and and the business um but otherwise yeah exactly exactly what camilla said

wonderful thank you both okay great uh the next question uh okay so this question is about form 7203 uh okay they said i had deducted losses in the past i did not put significant funds in the business originally does that mean that prior deductions were incorrect this individual is concerned about filling out the form and not being able to deduct losses this year because they were significant uh roughly around 25 000 um and they're concerned about being hit for past years uh then there's additional comment um

that they have an llc who which is taxed as an s corp just to provide more context on the filing structure yeah i can take the first step at this one so form 7203 is a new requirement this year for s corporations um so there we've actually had quite a bit of discussion surrounding this forum you know internally and with our clients um but you know it it doesn't just keep track of contributions it also keeps track of essentially what your basis in that s corp is which includes contributions include basis includes you know income

allocated to you from the s corp you know it would be subtracted you know the losses and distributions are subtracted off there to come up with what your total basis is so if you haven't contributed yet you have losses you know there's funding coming from somewhere or you know you've had income in the past in order to you know have that cash to cover those losses perhaps the 7203 isn't being filled out correctly as my estimation um because it you know it has to have that carryover value from the

prior year um which wasn't necessarily filled out on a 7203 because that was new this year but you know you when you have an s corp when you're a shareholder and escort you you should be tracking your basis which is made up of all those things on the 7203 and now the irs is asking for that to be officially you know filed with i think the individual shareholders return who owns this corporation um you know without some more information it's tough to say you know whether or not you were able to deduct those losses

in the past or you know the current losses um it kind of depends on the past performance of the business and where the funds would have come to cover those losses um you know if you're if they're personal funds and you know you're throwing money into the business then you probably have more basis than you think you do because that those would be contributions um does that sound correct i mean basically i mean i mean it's funny we were just talking about this but um for people that um are like just

beginning their businesses or if they haven't really made a lot of money and have had losses the thing of it is probably um you know your book to tax basis probably was never reconciled and it may have never ever been um recorded on a tax return and so um i mean you would think well i don't want to say you would think but what's probably supposed to happen is um if you do have losses that is necessary for whoever is filing a tax return to go into your books and see what kind of bases you have in order for

you to be able to deduct the the losses properly now if this occurred or not you would need to look at your tax return to see or go back to your tax preparer to see if that's happened i mean um and you need to like people saying you're turning into your individual tax return to determine you know what income you've had in the past what distributions and contributions you've had in the past and then what you've taken on your individual tax return it it's very you know it could you could have maybe taken more

losses than you're you know subject to and you know the that doesn't happen too much in a in a one-person s-corp unless you have you know a lot of i guess loans out there which would you know cover those operating expenses that would create the loss um but you know this is a it's a tough question to answer without without some more detailed information i mean if you had a lot of distributions that's my only thought like if you were doing a lot of personal transactions which you probably shouldn't do if you

have a business and you um rs corporation you know but i have seen where people do personal a lot of personal transactions with the s corporation so that generates um distributions that you don't realize you have you know and so if that's the case and you don't have enough and now you have all these big losses you know it's like maybe not but then again you might have put the money in too so we would have to see yeah exactly it could generate distributions that maybe you didn't know about but it also

could generate you know contributions that you weren't keeping track of as well it you know so it goes both ways um and as camia mentioned you know keep those business and personal funds as separate as you can and well as separate as they need to be which is essentially separate and making sure you're keeping track of your money you put in the money you take out because it's all important for for uh you know reconciling your basis which is you know the whole point of form 7203 okay great thank you lots to think about

there uh all right we've got another question here this one is from dan when you start your business um uh he's saying a c corp if you start with say ten thousand dollars will that initial funding be taxed no um okay so if you're a c corporation i'm assuming if you're a one person c corporation you're the like hundred percent shareholder you know so it becomes again kind of like what i said to the person with the s corporation it be becomes you know equity or money that's available to the business

um there could be maybe there's a loan or some type of note like i don't know how um the funding would be structured but i mean if it's a general just contribution you may um no it won't it won't be taxed um yeah i don't think it'll be taxed anyway that you whether it's you know the initial payment that you make for the stock or whether it's additional paid in capital on top of you know that that stock transaction or if it's you know a loan from you to the business none of those you know sources of

revenue are taxable to the business but they all live on the balance sheet and they don't really touch the income statement um so you know that that would be a way where the you know the business could have losses where it doesn't have any revenue right especially in a c corps type of situation which and then that loss would you know it doesn't get passed through to you with a c corp it just rolls over into the next year um and is able to offset you know future revenue okay great thank you okay so this next question um

is a long one i'll read it out here uh i'm not a citizen or a resident of the u.s i've been operating a sole member llc in software as a service since february 2020. i am now planning to move to the u.s in 2023 and want to know if bench has helped such businesses and non-us residents in tax advising in the past and what form of support i could expect to minimize and optimize my taxes uh will i always be dealing with the same tax consultant with that change over time okay so yeah this question is more i guess about our tax services

um yeah yeah i can take a stab at this one i guess to start international is kind of my specialty um but you know we don't dabble in international too much here at bench at this point it's something that you know we hope to expand on um as we go um but we don't do much international taxation or even you know u.

s taxation for international individuals um non-us residents or our citizens um right now we i don't think we even let them into into bench tax at this point um likely you would have had to file you know probably an 1120 if you were you know a foreign person operating an llc in in the us um if you become a us person or a us citizen you could change that to become an s corporation if if the income you know supports that um because you know s corporation shareholder holder has to be a u.

s person um you know for dealing with the same tax consultant you know as long as we are with the company um you know we we maintain our you know profile or you know our book of clients um you know obviously sometimes that there's turnover that happens people leave or people you know come on so you know clients sometimes get redistributed but we we work tightly with the team so you know if if you're working in a lot with you know a consultant you'll probably not get moved in in one of those situations unless you're you

know unless your advisor left or something like that um tax preparation wise you know we try to pick people up with the same preparer every year we actually don't do the preparation here in advisory we we do everything you know everything but the preparation we talk to you all year solve your problems you know consult with you but then we have a different group of people that does the the filing so we try to have the same person do the filing year after year sometimes they're not available sometimes you know the

timing doesn't work out but you know you're going to have someone competent and someone who's familiar with your your your items great thank you um and then there is a um uh i'm wondering if this is a related question um it says specifically we'll have access to folks like kamiah and mark uh throughout my journey with ventura will be transferred to other junior folks so sort of a short answer i mean clients are assigned as you you know on board as you come on with us and then we we take you on and and have that one-on-one

relationship with you you know as you would with you know your cpa at a different firm or whatever you know that's it's not like you're you're brought on under me and then i pass you off to someone else once whatever said it you're on with the advisor like me or come here you know we're both you know practicing tax advisors with bench tax here so yeah you would stay unless there's a change in personnel i would assume you know yes generally yeah and um maybe you could speak to um the uh

the other tax advisors on the team uh i my knowledge and understanding it you know everyone is either an enrolled agent or a cpa you can actually i was going to bring that up when camilla was explaining that earlier i you know we we do have a a a breath of different credential you know professionals on the team and that's the strength of our team right we have cpas i'm i'm one of i think a couple of the cpas on the team we have enrolled agents we have someone i believe judah is a tax attorney um so we have you know

a number of highly you know highly knowledgeable attacks um [Music] yeah for sure yeah with diverse backgrounds so you know a lot of people ask about specialties you know trucking or whatnot you know we have a diverse um skill set when it comes to tax because obviously you know taxes is the internal revenue code is extremely large so we can't know everything that's there verbatim so you know it is good to have people that um know different things about different areas of tech so i will i will say that we have diverse

backgrounds for sure and and we you know as clients are coming on if they have special needs like that you know they'll get distributed according to the needs you know the most basic example is you know time zones right everyone has different times and if you can only meet i just did this this morning someone could only meet at 8 00 am you know eastern time i work at 9 9 a.

m central time so i i moved this person you know i hadn't talked to them yet but i moved them to a different tax advisor because it was going to work out with them rather than me it works the same way for you know things that we don't necessarily specialize in but maybe we have a better knowledge of yeah yeah wonderful so when you hire bench uh you really get more than just one tax advisor you get access to a whole breadth of it and that's a good that's a good point too right and we're always consulting with the team to you know get

second opinions or you know to get a a consensus on on issues or you know posing questions to the team it it you you face to face with the one advisor typically um but it really is a team that's that's working for you all right okay um another question from dan so uh he says i partnered with bench because i don't know or understand taxes that's great that's what we're here to help you with uh will bench inform me when there's a particular form or deadline that i need to fill out in other words can i rest

assured that bench will help me not miss any tax related tasks that i need to do i know uh um you know what you both can maybe speak to um what you do on the tax advisory side but i know that um in terms of tax filing deadlines we do uh you know communicate and send out reminders and deadlines and your bookkeeper is going to work with you um and the tax preparer uh and that you know the whole tax team that i showed on an earlier slide is going to help you make sure that you do not miss those deadlines right for sure

yeah one thing i do want to uh mention though like we we do try our best very best to get the deadlines and that's one thing that we do discuss on the cost you know uh as far as income taxes related now there are some things that aren't necessarily related to tax that have deadlines as well if we know about it we can generally give you a high level um consensus on what you're supposed to do with filing it such as like uh needing to uh renew your um llc for instance with your state that's something that

they would have to do independent of us but we can support them in that you know talking them through it or telling them you know giving them the website or giving them things like that but those type of things they would have to do so we try our best you know and as long as we know what states um that you're operating in as long as you're forthcoming and really giving us a good idea of where you're operating in we can um make sure we're encompassing all of the states that you deal with because that sometimes does um

come up where you know someone might not realize that they need to be a foreign um entity and pay taxes somewhere else other than where they are a resident of or where the business is registered you know so and by foreign there i think community probably means other states which is how the states um describe that not necessarily foreign to the united states although you know there are different deadlines for it for that as well um right foreign meaning you're not actually a resident or do business there so they just call that foreign but that

doesn't mean you're out of the united states right absolutely and and yeah you know we we're experts at what we do and we're really good at what we do but we can only be as good as what we know about you so it's like you said it's important for for clients to be forthcoming you know we'll try to ask all the right questions but you know if you if you never let us know that you file in you know wisconsin and and we never never somehow pick up on that right that's something it's just part of the conversations that

we have with our clients that help to help them not you know miss those type of things right it's important for us to to know everything that's going on with your business and and half of that is you telling us that yep that's true okay um and dan has one quick follow-up thing which i can address so this is super helpful we're we're glad um how often are these webinars so these webinars are actually held every tuesday um there is one exception uh on tuesday september 13th we will not be hosting

this live q a session because we're going to be hosting a uh a different webinar with um one of our partners but other than september 13th uh the this session runs every tuesday at the same time that's 10 a.m pacific and uh um 1 p.m eastern and you can always um head over to the bench blog so bench dot co forward slash blog and you can register there okay and there's another question here which we uh have time for i'm sure um from uh asanka so which software do you use for bookkeeping uh do we have access to directly update

and submit the transactions or how does this work so this is a great question and we get it often our software is actually proprietary so it's been built specifically by our teams here at bench but that doesn't mean that you um don't have access to it essentially your your bench bookkeeper is going to manage um uh all of the you know up you know taking your transactions and things like that um there when you onboard with bench you get all of your um financial accounts connected so that those uh transactions come in uh

automatically so you don't have to do the work that's what we're here to do we're here to take that work off your plate um but every once in a while we get some concerns about whether the software uh will be compatible so for instance if one day you know you decide to move on from bench what happens to your information it is when you're a bench client you actually get lifetime access to your account so even if you decide down the road to leave bench you can log into your account at any point in

the future that information will always be there available to you but you can also easily export all your financial statements and information if you need to for instance if you want to take that information maybe you hire an accountant or you take it to another provider it's not you know held back you're you're definitely able to take your information uh with you when you leave um it's just a simple export actually so i don't know if either of you have any other points to add to that uh so i mean it's a very typical accounting

software it behaves just like quickbooks you know when you're inside of it you see you know transactions and and financial statements and that sort of stuff yeah perfect um but again the difference between us and quickbooks is that uh with bench you don't have to do any of the work we take that work off the qb that's okay everyone is familiar with quickbooks all right well with that um that is uh the end of our questions here so i'd like to thank everyone for your questions today we hope you found our

tax advisory services helpful um if you are a bench client and you are considering um upgrading your subscription to our premium package and you think that this service would be helpful to have uh for your business on a larger scale um you know talk to your bookkeeper um you can learn more about our premium services and if you uh want to give bench a free try if if you're not a client of bench we actually offer a free trial so it's a no commitment no credit card required trial we do a complete month of

your books within just one business day and then we give you a set of financial statements to keep you can see what our software looks like and this allows you to really quickly get a sense of whether bench is a good fit for your business or not um and so uh yeah with that i would just like to say thanks again everyone for your attendance and participation and your great great questions uh if you found today's session helpful please share our website with a fellow business owner who you think might also benefit from receiving some small

business income tax uh advice we'd love to meet them and see how we can help so thank you again everyone and enjoy the rest of your day thanks everyone

23. Tax Advisory Tuesday Q & A | August 23, 2022 - YouTube

**URL:**

<https://www.youtube.com/watch?v=EYgkK3WMA3o>

**Views and time:**

232 views / 24 months = 10views per month

**Keywords:**

No keywords

**Transcript:**

hello everyone uh good morning good afternoon uh welcome to our august uh 23rd edition of tax advisory tuesday uh where we host our ask attacks advisor session which is a live q a with a couple of our tax advisors we have here at bench and we're going to be talking all about small business income taxes some very quick housekeeping for today's session it is being recorded and the recording will be sent out to you following today's session so you'll receive that in your inbox later today and that will be sent to the email that

you used to register for this session feel free to use the chat feature here in zoom just be sure to change the setting to panelists and attendees so everyone can see your comments and when using the chat and also when submitting your questions just be mindful not to share any personal or financial information that you wouldn't want to have shared publicly in a video recording and lastly we will be taking questions via the q a button which is at the bottom of your screen in the zoom admin panel there we're going to be answering questions on

a first-come first-served basis so you're very welcome to start submitting your questions now and then we'll be answering the questions um based on the order that they've been submitted let me introduce myself my name is allison i work here at bench on the content team uh so my role um is to develop all kinds of helpful resources and small business guides which are available on the bench blog which is found at bench dot co forward slash blog so highly recommend checking them out if you haven't been over to our blog yet

but for those of you not in the know what is bench so bench is america's largest full-service bookkeeping solution for small businesses we pair you with our in-house expert bookkeepers to get your books up to date and compliant with irs standards if you ever have questions about running your business that even goes beyond just your books and your bookkeeping our bench bookkeepers are actually backed by our client research team so that's another in-house team who are able to provide you with informed answers to all kinds of complex

business questions um so uh anything you know to do with accounting maybe payroll uh even taxes this team is is here to provide you with uh support so um yeah our services really extend you know far beyond that of just uh bookkeeping and getting your books done but what does bookkeeping look like here at bench every month your bench bookkeeper organizes your business transactions and prepares financial statements and this makes it easy for you to stay on top of your finances and track the health of your business month over month

if your bookkeeper ever needs anything from you they will get in touch but if you ever have a question for them you can easily book a call and speak directly with them then at tax time we prepare a year-end financial package that you can use to send your accountant if they're the one filing your taxes for you or you can use this year-end financial package to file your own taxes if that's what you do but if filing your taxes is not something you enjoy which i think is the case for most people we can actually

take tax filing off of your hands as that's the service that we can also do for you and so tax support here at bench uh basically uh we have a premium plan and that includes both our bookkeeping and the tax services and with that premium plan you actually get a whole team of tax support so you get a tax coordinator a tax preparer and a tax advisor and they all work closely with your bookkeeper to get you filed ahead of the deadline and this tax support isn't just limited to tax time or or you know just around

tax season ahead of the filing deadlines our tax advisors are actually available year round so you can receive you you can do tax planning and receive tax income tax advice at any time of the year to help you optimize your income taxes for your business uh so a little bit more about our unlimited tax advisory um you can book an unlimited number of calls with our tax advisors and these calls typically can last anywhere let's say up to an hour during that time our tax advisors will take a bit of time to familiarize themselves

with your business answer any questions that you have and offer valuable advice that's really tailored specifically to your business structure um or you know all the nuances of your business um they'll educate you on methods to reduce your future income taxes um and with income taxes being you know approximately 30 to 40 percent of your businesses income it's likely one of your businesses largest expenses so it's really beneficial to receive some professional support in um you know finding ways to reduce that

that expense and again this service is available uh at any time of the year not just ahead of uh the tax filing deadlines so let's go ahead and meet our tax advisors who have joined me here today i've got mark and kamiah so mark why don't you um uh introduce yourself first sure um as allison said my name is mark i'm a cpa and i am based in wisconsin here in the states um i'm one of the along with camilla one of the founding members of the bench tax advisory team i've been here for about a year and a half now um helping

clients just like just like all of you and great to see you all here with us today hi and yes i'm uh camilla franklin daney i'm an enrolled agent um i like to start by telling people about enrolled agents because it is a term that a lot of people are not used to hearing so i'm an interrupt agent it's designated by the irs it's similar to a cpa um you have to take a three-part test to be able to um have the designation uh we um are basically just authorized to do tax matters whereas cpa they handle

maybe audits at testation they have a more rounded well-rounded um type of uh tasks they do so um but we are similar and we're you know we have unlimited rights to represent you with the irs and i'm also in detroit michigan and i work directly for a bit so good nice to see you guys and we'll not see you but you know speak with you all right wonderful thank you um okay so we've got uh some questions coming in uh and just a reminder uh to submit your questions via the q a button which is at the bottom of your screen

um tamika thank you you've submitted your question via the chat we can definitely answer that but uh to everyone else who's joined us please submit your questions via the q a button just so that they don't get lost and buried in the chat okay so the first question is from carolyn um so she says i'm a sole proprietor owner of an llc and have been filing as an s-corp based on advice i got years ago do you recommend i keep the s-corps or would it be simpler to cancel my payroll provider and be a sole proprietor llc

i can take that one well it depends this is something that we see often people that may have decided to be an s corporation prematurely i mean and it definitely depends i mean um one of the top reasons people become s corporations are because they want to save on self-employment tax so it saves you in tax but sometimes um you don't save in self-employment tax because one of the uh requirements are you have to take a salary and so that's why we um sometimes tell people to wait um until at least your profit begins at 50

to 100 000 a year your profit and not your gross your gross income once you subtract up your expenses that becomes your profit later so if you're after expenses if they aren't if your profit is not more than like 50 000 your 50 or 100 000 your savings become minimal um so i mean it could be simpler to just become a sole proprietor because of course you wouldn't have to worry about doing all those payroll you know form 941s or having a payroll provider however um the only thing with that is um there's a revocation period so you have

to revoke your s corporation election and so if you ever wanted to become a s corporation again you would have to wait the five years before you could become a s corporation again so like okay i don't make enough money i'm not really saving i'm gonna revoke it okay now i make i made 250 000 in profit oh no i want to be a s corporation as well you have to wait you know and so those are the type of things we talk about in the in the um tax advisory calls that we have to see you know we can see trends we can

identify um pacing things like that to see you know if it's more advantageous or if you have other reasons why you want to become an escort because that's sometimes not the only reason why people um decide to be a s corporation yeah you have anything else to add no you hit everything there can you um you know you can get around the five years you know if you maybe like wind on your llc and start a new company right so essentially what can you said right if you're still saving money with your s corp it probably makes sense to keep

that s-corp if it's not saving you tax money anymore you know because you know maybe you're operating at really close to even or you're even taking losses then maybe it makes sense to either wind that company down or make you know make an election to revoke the s corp status uh just be cautious because i think simply revoking that escort status brings you to a c corp which probably isn't where you want to be so you want to make sure that the irs thinks that you're going to be a a sole proper you know a disregarded

entity okay great thank you both um so i'll answer uh tamika's question had come in next there in the chat so if you operate a small business as an independent contractor and as a sole proprietor but within the same line of business you have one source of income is under your dba or your ein and another source of income is under your personal name as a 1099 employee do you complete two separate schedule c's sure i can take that one so it sounds like at least according to the prompt that it's kind of the same

line of work um and in general i would be finding you know filing that on one schedule c as long as all the all the income is out you know being um captured by that that activity and the expenses are maybe joint for for you know what's going on there you know you don't want to be you know running a ken on you know selling or having a you know food truck or something two very unrelated things but if if they're in the same line of business which it seems like in this case you know unless literally you're well

and even if it was two eins you know one could be a dba of the other um but i think one schedule c is probably all you need in that case and you agree i think so i mean as long as you know because it's all going under your social security anyway you know on the schedule c you'll have your tax id number on there um but like you said it's really a disregarded entity anyway so it should be fine you know yeah it could be just fine just so i'm just trying to be making sure that you're you know reporting all of well

all of the income that comes to you but reporting at least you know enough to cover for those those 1099s that you get both under your name and your ein that's the most important reporting all the money okay great uh the next question from sean is if last year's books were off by a certain amount and reconciled and taxes filed what is the best way to document in the event of an audit sure um you know there's a lot of situations that this uh this scenario could cover i guess if you know that you you know either

under reported your gross income or underreported your net income you know that's an issue where you may want to talk to your tax professional and go back and amend that return to make sure that the irs knows that you're reporting all the income that you received because it's really really easy for them to match up you know the 1099s that are issued to you and all the other sources of income that are issued to you and mesh it up with what you report on your return and see if you know you report enough or not

um we get you know those are those are automatic notices they don't even need you know a revenue officer to look at those they come out all the time um if it's i guess i if it's like you didn't claim expenses you know it may make sense to go back and amend anyways you could be do a refund because you over reported income um you know it really depends on the on this the materiality which by that i mean you know the scope of the error if it's completely wrong you know it probably makes sense to go back and fix it if

it's off by just a tiny little bit you know specifically i guess over reporting income and you don't want to you know pay to have it amended or whatever you know you can probably skirt away with that but it really is important to to have an accurate tax return on file with irs in my opinion okay and best way to doc i guess to document inventive audit you don't keep your records um the irs says to keep them for i believe three years after your tax return is filed um i usually tell tell my business clients

to keep records for for seven years um and records don't need to be obviously you know paper they can be electronic records or that sort of thing but um you know like you said if it gets audited the iris is going to want to see the underlying records so make sure that you have those available great good advice thanks mark all right the next question um i was in an llc partnership but sent a form to the irs to be a sole proprietor and file uh as an s corp in february 2022 the irs hasn't confirmed my tax status so i'm not sure if i can

file as an s corp or a single llc okay um okay so if you are in a llc partnership um usually what has to happen are you saying that the partnership ended and so that's why you're so proprietor now if that's the case then the partnership um would need to really file a final return and then you would just become a sole proprietor for whatever transactions you do um you would not be able to operate under the same ein number and that partnership um from what i understand so you would you could just start being a

sole proprietor and not have an llc not have anything but if you did do that be made a new llc and are so proprietor and then filed to be uh take the s corporation election and that's what you're saying has happened um and this is common because irs has been having you know a lot of issues with their paper uh transactions and things like that so last year was taking over a year for people to get their s corporation approval so i have seen where they're coming a little bit quicker but um one resolution we do is if you do have a s

corporation election application form 2553 in with them um you can um take that application and put it on your filed return for for instance 2022 if that's when you decided to take the s corporation election and it's and it's um you did it by march 15th of 2022 um you should be okay to attach that form along with the um form 1120s for the s corporation and then um but you may have to follow by paper that's something that probably won't be able to be electronically filed but that's a workaround for it if you don't receive

it by the end of 2022 but we tell people you can act as if you are an s corporation if you've sent the proper info proper information and you are you know and it is correct because only thing about it is if um the 2553 was filled out incorrectly it may get rejected and so then you're running into an issue and then if that actual 25 53 form that you're sending is incorrect then it may you know become a problem so just make if you did file it on time for that year then i feel that you're like you're safe

to uh do it that way yeah as camille is alluding to here i guess there's a lot of moving parts it kind of depends on the the timing of sounds like it went from a l or a partnership maybe to only owned by one person so it depends on what time that happened um and you know it depends on when you chose an effective date for your escort election because that's different than the date that you you know file and send it in so if you chose january 1st of 2022 sent it in february assuming it's a properly you know

prepared and filed election and you are an eligible you know entity then you probably are safe to assume that you're going to be an escort before this year because you know it's timely filed and you're eligible so you know you're just waiting to hear back um i have been hearing back a little bit more quickly from the irs i don't know if camille has you've experienced that as well but i i've had clients you know get their um cp 261s a little 261 250 on whichever whichever the authorization is

261 i think yeah a little bit more timely than they had been you know during when we're in the height of the pandemic um but escamilla was alluding to as well you know if it was a partnership a part of last year and then uh a sole prop you know because the partners left you know there would be a final partnership return to file and then probably a a schedule c to file for a portion of that year if it was a sole prop as well if you're if the llc partnership is electing scorp and you're electing you know because i've had a couple of these

situations where you know you drop a partner you're going to go down to become a sole prop but you actually want to start s corp at that point you know if you have that as your effective date then you know you would have an escort you know an escort return for that portion of the year that you elected s corp for so this question really depends on the timing of all these all these events great uh all right we've got another question from carolyn uh if you have multiple dbas do you have to list them all in your tax filing

i'll take the lead on this one then camilla because she might have a little more experience actually but um if they're disregarded entities so if they're you know schedule c entities and they have no activity i don't think you need to file anything for them if they do have activity then you would need to file a schedule c for them so you know if you have and me maybe you can add a little if you if you have experience with this but what if you have you know a a parent company with activity and a dba with activity and

they they're you know one's owned by the other i mean you're saying that okay so you have an llc and so you have a dba for the other businesses that you operate under the whole parent you know to me um if if it's gonna go you know as long as you're capturing all the income of the dbas you shouldn't have to write all the dbas because they're disregarded entities anyway so um it's not a lot of places like you don't have to sit there and like okay i'm doing a schedule c this is this company's name dba this

thing you do another one this is company name dva you don't have to do that you can just do the one just make sure you do the one uh schedule c um that has the ein number and then just make sure um any 1099s i'm assuming is just one 1090 uh i'm sorry ein number just make sure all the 1099s are captured on that same form you should be okay you know on the same schedule c4 yeah and this one kind of depends it depends on the ownership structure and what kind of kind of entity it is um and it sounds like dba's feed all

into one bank account so that i i assume that's one ein because you can't you know open you know that would make sense to me is that you know if you have a an ein an overall company with dbas you know below it you wouldn't necessarily need to file for all the dbas it would just be for the parent density it is and we're talking about llc's now if you like he said if it's something else like if it's a corporation you know it may be slightly different but the answer would be yeah different

for them yeah but if you talk about just like an llc single member llc then yes you're okay okay great yeah and carolyn confirmed uh that it's one ein and that the dba is feeding into one parent bank account yeah okay okay great all right um i guess to add to that the dbas probably should be registered with the state right community making make sure that the state knows that you're running you know these dbas for that company but if they don't have eins there's no tax reporting for them okay great addition

um great okay and just a reminder to everyone else who's attending you're welcome to submit your questions via the q a button um we've got another question here from carolyn which we can answer uh how uh do you recommend that you keep personal cash gifts or inheritance separate from your business income as a sole proprietor that's a great question oh yeah you definitely just want to have a business bank account for your business income and then so if you getting the personal cash gifts or inheritances or whatever else is

personal just have that in your personal bank account so the the key here is to just put your business income in your business bank account and don't put anything else in there and everything else can just go in your personal bank account that's most important exactly keeping those those things separate is super super important um you know and the best best way to do that is to have a whole separate bank account for the business and you don't do any personal things out of that business account you don't do any

business things out of that personal account yeah okay great all right um okay we've got another question from eric uh who says okay uh first year as an s corp company uh 2022 revenue was approximately two hundred thousand dollars as two employees an owner and a social media manager uh the owner's wage is about eighty five thousand and the social media manager's wage is about forty thousand um so eric's asking with all those uh details uh do you believe being an s corp will save uh him more money well um

assuming we're assuming if the owner's wage and the social media manager wages only expenses that are there you know in the scenario if this is our scenario this means that your net profit is around 75 grand um your savings you're working towards you know it could be beneficial for you to go ahead and start the s corporation if you think you're going to trend upwards well and remember that yeah that's after the owner wage too so that would be the profit after the wage right after the right so i mean

you probably going to save a little bit of money you know what i mean you have to take into account you're going to have to file an 1120s form which that's going to cost you that may cost you between 700 and a thousand dollars you know and so you're going to save you know i always started a hundred thousand dollars because that's a flat number and so you know when you take into account generally you save about maybe five grand you can tell me if you agree maybe five thousand dollars in taxes because of the self-employment tax um

you um can stand not you know maybe five thousand dollars at a hundred uh thousand dollar profit so if it's less than that then it's minimal you know what i mean it may not you know after doing everything that you need to do to maintain this as preparation your savings might not be but sometimes if a person is trending upwards i would say and they have other reasons go ahead and get that s corporation you know sometimes people want to show their w-2 income and they need that w-2 income to be able to do some things as far as

qualifying for homes and things like that so if they have those type of goals then sometimes i tell them yes yeah and in this case like can you said if these are the only expenses or the wages um you know and there might be some a smattering of of operating expenses in there but you know assuming this was a sole prop you would have you know 200 000 less 400 000 so 160 000 in in schedule c income that you would be paying you know social security and medicare on up the social security up to the 140 000 cap or whatever that is so

if you set your wage at 85 you're saving the difference between that 85 and 145 or whatever the the social security max is so essentially 60 000 times 0.7 right is that yeah or 12 percent actually because you're saving both sides of it so oh yeah i think in this case you're you're going to see significant savings by being an escort over uh or for a sole prop assuming everything else you know falls into line with what we're talking about yeah okay great uh next question what is your recommended method to reimburse yourself

or your business for shared personal or business expenses an example would be a shared phone bill well it depends on what type of entity it is not as a single member llc of course if it's a shared personal business uh phone you have at home um that would be you know we just do a ratio that would be a ratio of whatever um business you should use um now if it's a um s corporation for example those you have to because it's a separate you know type of thing you have to um do it in conjunction with an accountable plan so an accountable

plan is really just i i've been lately calling it a contract but i mean i guess you could say it's a contract maybe or maybe not but it's an agreement between your business and yourself okay and you're saying okay such and such business i'm going to reimburse you person person individual this amount of money per week or per month for the business use of your personal item and so assuming that this uh this phone or whatever is it's a personal item whatever you agree to do you would put it on the accountable plan and then you

would submit receipts and then based on the receipts you would be reimbursing yourself so it just depends on what um which type of entity it is but if it's just basically a single member llc that's really typically done at the end of the year i mean would you uh agree like this not really something that you would reimburse i mean you could reimburse yourself for it um out your business bank account um yeah it depends it depends on if the business is cash or not you know if it's a it's a simple sole prop um you can essentially

you know take that deduction for the business portion of something like a telephone or internet or that kind of stuff um that you pay personally you can take those expenses now if the company has cash and you want to actually reimburse yourself with the cash you know if it's a sole prop there's nothing wrong with doing that at all just write a check or make a transfer or whatever it is ask me i was alluding to you know if it's an s corp or a c corp um you know partnership is probably a good idea to do to have an

accountable plan because that's what the irs is going to look for if they ever you know come come looking into what you do and that's another humble plan essentially sets up the amount and the types of things that can be reimbursed um and there's a lot of rules for it um but that's something that we would we could help you out with one-on-one right great all right well that brings us to the end of today's uh 30 minute session so i just would like to thank everyone for your questions um we hope

that you found our tax advisory services helpful uh and if this type of support is something that you think your business would benefit from on a larger scale you can actually give bench a test run with a free trial we offer a no commitment trial where we complete one month of your bookkeeping within just one business day and provide you with a set of financial statements to keep and this allows you to quickly see if bench is the right fit for your business so we'll end things by just saying if you found today's session helpful please

share our website with a fellow business owner who you think might also benefit from getting some income tax questions answered we'd love to meet them and see how we can help so thank you everyone again for attending and we hope you enjoy the rest of your day take care bye

1. Tax Advisory Tuesday Q & A | August 16, 2022 - YouTube

**URL:**

<https://www.youtube.com/watch?v=Ab8fE0i58TM>

**Views and time:**

**186 views / 24 months = 8views per month**

**Keywords:**

No keywords

**Transcript:**

good morning and good afternoon everyone thank you so much for joining us it's tax advisory tuesday and we're excited to welcome you to our ask a tax advisor weekly series uh it's our live q a where we're going to talk about small business income taxes just a couple of housekeeping items before we jump into today's session it is being recorded and the recording will be shared with you later today by email and that'll go to the email address that you use to register for today's session

feel free to use the chat feature here in zoom which is located at the bottom of your screen just be sure to change the setting to panelists and attendees so that everyone can see your comments uh in the past sometimes attendees have been finding it helpful to provide a little more additional context about their business in the chat as a tax advisor is answering the questions that have been submitted so feel free to do that but again just keep in mind that um the chat uh you know when used in a public way um will and it will be

recorded in the video so just be mindful not to share any personal or financial information that you wouldn't want made completely public and lastly we will be taking questions via the q a button at the bottom of your screen and so we'll be answering questions on a first come first serve basis so if you can please submit your questions via that q a button and then once we get into the q a portion um we'll pull up and answer questions uh again as they've come in on first come first serve basis so let me introduce

myself my name is allison i work at bench on the content team developing all kinds of small business resources and guides uh which are available on the bench blog and that's found at bench.co forward slash blog but for those of you not in the know about what bench is let me give a little a brief walk through so bench is america's largest full-service bookkeeping solution for small businesses we pair you with our in-house expert bookkeepers and get your books up to date and compliant with irs standards

if you ever have questions about running your business that go beyond the scope of your books our bench bookkeepers are actually backed by our client research team who provide you with answers to complex business questions that again range on all kinds of a variety of topics outside the scope of bookkeeping uh so what does bookkeeping look like here at bench every month your bench bookkeeper organizes your business transactions and prepares financial statements and this makes it easy to stay on top of your finances and track

the health of your business months over month as time goes on if your bookkeeper ever needs anything from you they will get in touch but if you ever have a question for them you can easily book a call with them at tax time we prepare a year-end financial package that you can use to send to your accountant if they're the one filing your taxes for you or you can use this year-end financial package to file your own taxes but if tax filing isn't your favorite activity which i'm sure it's not many

many people's favorite activities then we can actually take that off your plate and handle your tax filing for you ahead of the tax deadlines and so looking a little bit more into what tax support is like here at bench our tax service services actually include an entire team of tax experts who will work with your bookkeeper to get you filed ahead of the deadline so that includes a tax coordinator a tax preparer and a tax advisor and this tech support isn't just limited to uh tax season or you know ahead of

the tax filing deadlines it's available year round uh and that's especially um uh you know receiving support from our tax advisors like command mark who are joining me today they're available year round to provide you with support advice guidance to help you optimize your income taxes for your business and so a little bit more about our unlimited tax advisory when you're a bench client and you're subscribed to our premium package and this is the package that specifically includes all of the tax support that i'm mentioning

you can actually book an unlimited number of calls with our tax advisors there's no additional hourly charge you can reach out to your tax advisor at any time of the year and these calls with your tax advisor typically last anywhere up to an hour during that time your tax advisor will get a little bit more familiar with your finances in your business answer any questions that you have and offer valuable advice that's tailored specifically to your circumstances in your business they'll educate you on methods to reduce your

future income taxes which is likely one of your businesses largest expenses throughout the year so it's really beneficial to have this expense optimized for your business and again this service is available not just at tax time but year round so let's go ahead and meet our tax advisors again we have kamehameha and mark joining us today so kameha why don't you go ahead and introduce yourself first absolutely hello everyone uh my name is kamiyah franklin daney i'm an enrolled agent i work directly with bench as a

tax advisor i've been here a little over a year um just to let you know um enrolled agents are designated by the irs similar to cpas that are designated by the state so cpas are more uh they have a bigger range of uh things that they can do with their license such as auditing attestations and tax where the enrolled agent is really just specified for tax and actually representing you in front of the irs for your irs tax matters so it's nice to meet you everyone yeah and my name is mark um i am a cpa i've been cpa for

six or so years now um i've been a bench for exactly two weeks less than camilla has been so um a little bit over a year and yeah i all of those great things that camille said about ea's and cpas is you know we have a team of tax advisor professionals that you know if you're a bench test client you get assigned one of us and we can have that one-on-one relationship with you and and you know i'm always excited to work with my clients wonderful thank you come here and mark okay um so why don't we get into what we're all

here for getting some small business income tax advice so if you have not already please submit your questions via the q a button at the bottom of your zoom screen and we're going to answer those questions on a first come first serve basis so the first questions that have been submit those will be the ones that i that we answer first so again that q a button is found at the bottom of your zoom screen and that's where you can enter in your questions uh so we'll give everyone a little bit of time to put in their questions

um and uh in the meantime here i've got one question um so uh the question is is it better to have w-2 employees or just 1099 contractors uh come here or mark i'll let you decide he wants to jump in i can go ahead and answer that first uh really it depends on the nature uh of what they're of what they're doing for you you know we kind of get this um often w-2 uh employees um according to the irs they have certain um things that the irs look for uh in order to be you know uh an employee i mean people um really get this mistake and

like you can't just choose to either 1099 someone or put them on the w-2 as an employee like if they're doing certain services for you meaning that you're controlling uh what hours they come in or you're controlling what what their duties are um versus a contractor where they would be controlling what hours they work to do the uh work for you or how much you'll be paid it's in a contract and so the irs has like a list of 20 i believe it's a list of 20 things that they go by to determine if a person is

really supposed to be a w to employee or if they are uh more like a contractor so a contractor or 1099s are people who are self-employed you know essentially and so they pay their own self-employment tax versus where when a person is employed by you and as an employee and getting a w-2 that employer pays the uh what you call the self-employment tax which arises about 7.

6 so um it's very important to make sure that you're paying a person the right way you have any other thing to um add to that mark um yeah so it obviously it's important to you know review the relationship that you have with with you know each worker that you have to determine whether based on the irs guidelines and ask me a mention you know they're pretty pretty specific and easy to identify um you know where where they would fall in whether it's on the 10.

99 or a contractor i guess 1099 or an employee w2 line um the effects that it have on your business i mean besides typically you have like a payroll server set where that runs your payroll for there'll be two employees and you may not have that for 1099 employees so that might be an additional cost that you would have associated with the w-2 employees and then come here hinted at the the self-employment tax or the fica tax so you know if you have an employee you're responsible for for half of that social security and medicare whereas if

they're at 1099 uh they they pay that with their self-employment tax on their own tax returns so you know there are additional costs obviously for for having a w-2 employee um but it really has that whether they're w2 or 1089 really has really depends on their relationship with you and and the sort of direction and the sort of things that you provide for them wonderful okay so there's a question um about quarterly taxes and kamiyah i see that you're um answering this one so uh am i okay to move ahead past that one

it might be a good idea to answer your life yeah okay i was just gonna say you know quarterly taxes are really uh and when you say quarterly taxes i'm assuming you mean estimated quarterly taxes um they're necessary or it generates once you have a oh more than a thousand dollars in the prior year and so most people um most people pay taxes based on their personal tax situation even if you are a partnership or s corporation or llc you're paying taxes based on what happens with your personal returns because those are flow-through entities

um so when that's the case you have to pay attention to how much you're owing um as a person as an individual and so if you stand o more than that then that's what when the irs expects you to go ahead and make payments early on your for your next year and so you have to pay at least 90 to 100 of what was due last year and so usually what happens is um in the year when you file and you owe more than that um your preparer or your pro or yourself you know if you're using a do-it-yourself tax software or

something like that it will generate and kick out the tax estimated tax vouchers for the upcoming year and that's what you have to would have to pay that's how you can tell um now there are times when you know you if you know that you owe because you're looking at your quarterly uh you know you're speaking with your bookkeeper or your accountant or whoever are you looking at it yourself and you can see that you have a profit so you know that you probably will need to make a payment on this you can do that if you

want to and that would be just kind of doing an estimate of what you think you may owe based on um what what your um tax bracket is but we usually do like a basic thing or maybe like i want to say 30 especially if you're like llc's or sole proprietorships to make sure that all the taxes are taken care of now if you're a corporation a c corporation it's slightly different um those those things are slightly different but you still would have to pay anything else mark because i'm just making sure because i have some time no

you're you're perfect um as to like the specific question are they mandatory no technically yeah the irs wants you to pay estimates um in reality if you don't pay estimates you probably will and you're and you're supposed to you're probably going to pay you know a minimal amount of of underpayment fees when you when your taxes do the the the penalty is a half a percent per year so it's divided by months so it's really really a small penalty if you choose not to make your payments

you're not going to go to jail or get in trouble or you know anything if you don't make your estimated payments you just might have a penalty at the end of the year great okay the next question is from monica so besides saving for retirement in what other ways does contributing to an sep ira benefit the taxes of a small business owner sure i can take the lead on this one um so i mean the the biggest direct benefit assuming that it's a legitimate deductible contribution would be that you get to reduce your taxable income um

you know dollar for dollar by what you contribute you know the steps are typically you're able to contribute 25 of whatever your net profit internet taxable profit would be for like a schedule c so you know if you have a hundred thousand dollars in profit you can contribute 25 000 to a sep and that takes off 25 000 from your taxable income so you're saving whatever your tax rate is times you know 25 000 so you know they can be a significant source of of tax savings you know in the in the year that you make the contributions

great thank you okay next question is from mark how do you deduct medicare payments from your business i'm already speaking of medicare insurance payments uh if this if that is the case and if they're self-employed then i'm assuming that they're uh these are health insurance payments that they're paying you do that um as an adjustment uh to your uh uh total income on um schedule one uh it'll come out on your schedule one once filed and so that deducts um from your total income to arrive at your

adjusted gross income and that's the adjusted gross income eventually is how they charge um how they uh figure out how much you owe for taxes so that's how you save you wouldn't really see that on uh your schedule c if you're self-employed um you would definitely see that on a schedule one i'm not exactly sure i would have to pull up what line it is but it would be under adjustments on the um on the actual 1040 is where you would see that deducted uh did that answer your question or or am i thinking of something different if

not um please put it in a q a and we'll answer it um more thoroughly yeah like communication i mean it's it's not a business expense for like a schedule c um yeah you know it might be different for a partnership or for an s corporation um the way that you treat it but for like a schedule c it would it would wouldn't go on the schedule c as an expense or deduction it would be a deduction elsewhere because it's like an individual type of deduction on your tax return for a self-employed individual

great yeah and mark you can let us know in the chat if uh we didn't quite answer your question um but i think uh hopefully that was helpful for you uh the next question we'll move on is from nicole for a soul member llc are there any tax advantages to making myself an employee of the llc or another instance would be employing her husband um well if you have a llc and i'm and i'm assuming it's a single member llc you're the only person who owns the business then you wouldn't really be able to pay yourself

or make yourself an employee um those typically are treated like sole proprietorships in that you're just the owner and then you would take draws when you need to get paid money um and so it will go against the equity um that you have in your business or whatever so you wouldn't ever really make yourself an employee but you can pay yourself in draws now you can employ your husband as an as a um as a uh actual employee and a lot i've seen a lot of people do that and there may be a benefit you know for example if

you know you guys have health insurances there are things you can do in that case to save money um i've seen where um you know it could help uh when you're trying to show income in the terms of buying a home or things like that then if they have their uh monies on a joint tax return that way um yeah so i mean it could benefit to if your husband is actually you know have active work in your business if he's actually doing a job in your business i i could say would say that that um would be something that um would be

helpful or yeah the irs really emphasizes that they need to whether it's a husband or a family employee anyone that's not like an arms-length employee that they they need to actually be doing you know the work can be you know if they're hourly clock in and out um you know if what if you're paying them a fixed salary or something like that you know having some justification for what you're paying them because you know they don't want yeah you know your three-year-old to be you know sweeping in the corner and getting paid

you know 50 bucks an hour or something like that right it needs to be a legitimate you know employment and and then you actually you know you hire them you you go through the hiring or the you know the setting up of an employee process but there's certainly areas for tax savings by doing that like you mentioned with insurance and you know for for other reasons show like showing w-2 income for first of all it's just something like that paying some you know social security tax yeah it really depends on on your type of

situation there um you know yeah for the first part of the question like you said you know as a single member llc if you're a discarded entity so a schedule c you really you you can't be on w-2 wage for yourself um the way to do that would be to make an s-corp election and become an assets corporation and then you're you're able to put yourself on pay or actually required to put yourself on payroll but um just as a schedule c you know take draws like i said you know you're if if you are paying yourself through w-2

you're likely going to be you know outlaying more costs and more tax than you would if you just took draws because there would be some you know expense for for payroll taxes and that sort of stuff where you wouldn't have that necessarily if you were just taking draws from your llc great all right and it looks like nicole said thank you so i think you've answered her question um wonderful okay next question is from pera hello what is the best plan to maximize retirement contributions for an s corp that

only has an owner as an employee and then they've added a clarifying point uh i have an s corp and i'm the only employee and i would like to put aside the maximum amount possible in a retirement account sure i mean i believe in comedic correction if i'm wrong i believe you can still do a sep as a you know a s-corp shareholder um steps are great you can contribute a whole bunch of money i think the the maximum is you know right around sixty thousand dollars um you know you have to have a lot of profit to back that up

in order to get that because it has you know starts to fall within that 25 um of the profit is the maximum you can contribute alternatively you can set up like a 401k through your payable payroll provider or someone else where you're doing um you know just as if you worked somewhere else you were doing salary deferral to a 401k or it could be a roth where you don't do the the deferral and you know that depends on your situation too whether you're going to pay more tax now or in retirement but uh to maximize contributions i guess you

could you know i think you can set aside to the maximum which depends on if you're over 50 or not um i would have to look up the the limits i don't know them right off hand i have them here actually because i we get this sure quickly um so it's 25 of your wages so you can only do now for 2020 to 61 000 um or 25 of your wages so it's the max is the maximum right and that's similar to the solar 401 k that you can do uh simple iras uh the maximum employee contribution is 14 000 or 17 050 or older

and then um plus either a matching contribution of three percent of your employee of your employee deferral so three percent of whatever you are contributing as an employee um and yeah those are really the basic three options the main three options that um you could do i mean of course it could be a roth you know it could be you know if needed as well you know and so if you happen to have a w-2 job outside of your your business to um the retirement the the limits are per employee employer per program so you can

you know max one and also contribute to the other um separately great thank you both uh there is a related question here um which i think might be a have a quick answer but the question is can an llc open a sep um except ira so an llc can be a number of entities right so like an llc that's a c corp probably cannot open us up but um just about any other iteration of an llc i believe would right like a single member which is a sole prop could a partnership i believe can um s corporation i i believe can as well

okay perfect uh and um uh potentially who uh the the question was submit anonymously but if you're um interested to get a more detailed answer please um submit your filing type in the chat and we can answer that um more accurately okay um let's move on to the next question from curtis does a dc resident working for a maryland company have both d.

c and maryland personal income taxes withheld that depends possibly yeah yeah okay i'll take yeah i'll take this one you can do that next time that depends on where you're working um you know if you're living and working in dc typically it should only be you know the the dc taxes but if your company is withholding maryland probably talk to the hr department and be like i'm not working in maryland so please quit withholding maryland um but you can always file and get get those refunded to you but um

you know so if you're it doesn't necessarily matter where the company is located it matters where you're working is that the understanding that you have commune yes and then sometimes uh certain states have reciprocal state um things that they have together so if that's the case um you could file and they they have a uh working relationship as far as taxes and personal taxes are concerned and so sometimes you may have a requirement in one state and not the other because of that or um other states have credits like he was

just saying you can apply for and get a refund on the other um return based on what you've already paid in one state if if they've taken it out of your w-2 and i guess relating to this question to it if you're living in dc but working in maryland you're likely going to have withholding from well probably only maryland withholding at that point and then um you know you would get an out of state tax credit for for d.

c okay great um so there's another question uh from nicole and this is actually a follow-up question about uh quarterly estimates so she says if my own personal family income taxes um that we owed were greater than a thousand dollars then i need to file estimated quarterly taxes on my single member llc um and that's the question so she's wondering um if her personal family income taxes that she owed were greater than a thousand dollars she's wondering if she needs to file estimated quarterlys for her single member llc and the

thousand dollars isn't based on the llc earnings but it's actually just the personal income of her family okay well assuming that it's a single member llc um they are kind of like a disregarded entity meaning that they're going to follow on a schedule c and that is with your personal return and so it becomes part of your personal income you know if you're filing joint yourself and your husband's income is on that is all going to be on that same tax return and so all of it collectively if you owe

more than a thousand then yes um it would be i mean i can see how you know if it's the only thing on there then it would be just your llc but like if a person has a w-2 then they have a business and they may have a rental property then they may have you know some investments all of those things together is what um the irs looks at and they're calculated together and if that's more than a thousand dollars then yes it would be now if you wanted to see well how much of that does my llc actually owe you know like

for instance w2 money usually it's already deducted you know it's that money is are probably already being handled in for federal withholdings from the employer um if it's some other things then maybe not but i mean you could probably deduce if you only have a w-2 and an llc on your business that whatever you owe would be the llc i mean it really would depend really this is something that you would probably need to have a call on just to see because there's a lot of factors that go into this we wouldn't be able to even

um really speak on this without knowing the whole tech situation because there's a lot of different things that could change this yeah that's what i was going to say is there's a lot of moving parts in a personal return like this um you know you're you could have a very profitable schedule c make you know 50 grand on it but if you have a capital loss for for example that could offset part of that or you know maybe have a big rental loss that offsets part of that you know i know there's different

categories of income but there could be other things on your return that offset you know whatever income that you have for your llc that all of a sudden maybe you don't know a thousand dollars at that point so or or maybe you're over withheld on your w2 your spouse's w2 wages or something like that where you know it would cover whatever tax comes up from the from the single member llc so there there's a lot of moving parts and it depends on your entire personal situation so you know if you're if

you're under withheld by you know a thousand dollars with just w2 wages i mean you're still required to make estimated right not required but you're supposed to be making as many payments there so it's not even really tied to the business at all it's your entire personal tax situation that's taken into account okay great thank you so we've just got one minute left so unfortunately we'll have to um uh we won't be able to get to the remaining questions here but i'm um sharing a link in the chat and so uh

bench actually offers another free service uh where if you have a question that you didn't get answered today um you know we we recommend if you're able to join us again next week we run this um live q a every tuesday at the same time but in the chat i've shared a link where you can actually submit your questions and receive your answers back by email so you won't have to wait a week if you really wanted to get your answers sooner than that but otherwise i would like to say thank you everyone so much for your questions

today and we really hope that you found our tax advisory services helpful uh if you think that this type of support is something that your business would benefit from on a larger scale you can actually give bench a test run with a free trial uh so we offer a no commitment free trial where we complete a prior month of your bookkeeping uh within just one business day and provide you with a set of financial statements to keep and this allows you to quickly see if bench is the right fit for your bookkeeping and tax needs before you make a decision and

so lastly if you found today's session helpful please share our website with a fellow business owner who you think might also benefit from getting some income tax questions answered uh we'd love to meet them and see how we can help them alright thank you again everyone for joining us today and we hope you enjoy the rest of your day bye you

1. Tax Advisory Tuesday Q & A | August 9th 2022 - YouTube

**URL:**

<https://www.youtube.com/watch?v=kvM6l3Vd69M>

**Views and time:**

103 views / 12 months = 9 views per month

**Keywords:**

No keywords

**Transcript:**

all right hello everyone it's tax advisory tuesday and we're excited to welcome you to ask a tax advisor our live q a where we'll be talking about small business income taxes some very quick housekeeping for today's session uh it is being recorded and the recording will be shared with you later today by email and that's the email address that you use to register for uh this session today uh feel free to use the chat feature um just make sure to change the settings to panelists and attendees and

that's just so that everyone can see your comments with that said uh just be mindful when you're sharing any personal or financial information because this is being recorded and the recording will be shared publicly so uh just make sure that any information you're sharing you're comfortable sharing publicly and lastly we'll be taking questions via the q a feature at the bottom of your screen on a first come first first serve basis so uh submit your questions now uh via that q a button and then um we'll uh

we'll dig into those questions as they come in so let me introduce myself my name is alison i work here at bench on the content team developing all kinds of helpful resources and guides for small businesses which you can find on the bench blog and that is at bench.co forward slash blog so um for those of you not in the know what is bench so bench is america's largest full-service bookkeeping solution for small businesses we pair you with our in-house expert bookkeepers to get your books up to date and compliant with irs standards

if you ever have questions about running your business that goes even beyond the scope of your books our bench bookkeepers are supported by our client research team uh who are able to provide you with informed answers to complex business questions so bench can really support you in running your business even beyond the scope of your bookkeeping and taxes so what does bookkeeping look like at bench so every month your bench bookkeeper organizes your business transactions and prepares financial statements and this makes it easy to

stay on top of your finances and track the health of your business month over month uh if your bookkeeper ever needs anything from you they get in touch but if you ever have a question for them you can easily book a call directly with them or use our in-app messaging feature then at tax time we prepare a year-end financial package and you can use this to send to your accountant if they're the one filing your taxes for you or if you file your own taxes you can use this package as it contains everything you

need to file but if filing your taxes is not one of your favorite tasks of running your business then we can also take that off your plate and file your taxes for you so uh how does tax support work here at bench our tax services actually includes a whole team of tax experts who work with your bookkeeper to get you filed ahead of the deadline so that includes a tax coordinator a tax preparer and a tax advisor two of which i've got on the call with me today um so with that our tax support isn't just limited to tax time uh our tax filing

the tax filing deadlines our tax advisors like mark and kameha who are here with me today are on hand year-round for an unlimited number of tax consultations and so what is unlimited tax advisory when you're a bench client you can book an unlimited number of calls with our tax advisors there is no limit uh um these calls will typically last anywhere uh let's say up to an hour and during that time uh our tax advisors will take a bit of time to familiarize themselves with your business answer any questions

that you have and offer valuable advice that's really tailored specifically to your business they'll also educate you on methods to reduce your future income taxes and this is really valuable because your income taxes is probably one of your businesses largest expenses and so reducing that is um is is is fantastic it's great value and again this service is available to you at any time of the year it's not just a tax time so let's go ahead and meet our tax advisors uh so we've got mark and kameha

joining us today uh mark why don't you go ahead and introduce yourself first sure as you know my name is mark um i'm a cpa i'm from wisconsin um i've been a tax advisor here at bench excuse me for about a year and a half um i've been a cpa for eight or nine years now um that's about it hi come here yes hi hi everyone uh camilla franklin i'm an enrolled agent out of michigan uh in the u.

s uh just let me just take a minute i always like to explain what an enrolled agent is because an enroll agent is sort of something that you don't hear about a lot um an enroll agent is a credentialed tax practitioner that is authorized by the irs to be able to represent taxpayers in the u.s on their tax matters we can do tax advisory and things like that as well uh similar to a cpa um the irs is who gives us our designation and so we are authorized to practice over 50 states cpas are basically you know designated through their state so

they are more broader whereas cpas can do audits they can do attestation things like that uh enroll agents really are specialized in the tax area and so um i've been in the accounting and tax industry for the last 15 years i've worked for bench um this is around the same amount of time is mark maybe a year and a half or so so it's nice to see you guys again and looking forward to hearing your questions on your phone thank you both okay so uh why don't we get into what we're all here for uh getting some uh income

tax advice so uh please go ahead now and submit your questions via the q a button that's at the bottom of your screen uh and we'll just wait for those to uh come in and then we'll answer the questions as they come in on a first come first serve basis so again the q a button is just at the very bottom panel of your zoom screen and you can input your questions there and then i will be able to answer them um all right so it looks like um thanks for your question brian um and again um if anyone is having trouble

finding the q a button um please let me know in the chat here um so we don't have any questions submit yet um but brian you did submit your question via the chat so we can answer that one uh just while we're waiting for other questions to come in so the question is how should i distinguish whether being taxed as an sm llc or an s corp um um mark or kamiya feel free to jump in yeah why don't you go ahead [Music] sure okay well um it depends on what uh forms you have actually completed okay so if you're a

uh business but maybe you have you know either done it through a online partner or maybe you did it yourself through a state um your state so you you would do organization paperwork that then in itself um assuming you just did that would be just an llc um if it's one person then it would be a single member llc if it's more than one person then it would be a multi-member llc so you distinguish it um being an s corp is actually like an extra step you don't actually create an s corporation like you would

an llc or a corporation uh c corporation you have to file a form um you have to actually file a form as form 2553 that tells the irs that you like to be taxed as an s corporation because an s corporation is actually a election um versus a entity um any you know an llc and a corporation can be an s corporation so if you have not done that extra step following that form or someone has not done it for you or if you used an online entity and i keep saying online web partner because i know a lot of people may use something like a rocket lawyer

or some other type of online thing where they're just sitting in the documents and you may not know what they filed for you um if you look through that paperwork and they have not given or submitted a 25.53 and you haven't received anything from the irs to indicate that you have been approved for the s corporation election maybe nine times out of ten aren't the s corporation um would you um agree mark yeah no that that's a absolutely perfect summary of how you know whether you're in a scope or not um if

the question was more about um you know what make when it makes sense to be an s corporation versus like a sole prop um you know that's a discussion we have with our clients all the time um it really depends on a whole bunch of other factors there's not really just one factor but you know i i typically tell people you know once you get close to a hundred thousand dollars or so in in profit on your schedule c it really starts to make sense to to make that escort election um because you know you're not gonna save any tax

if you're not making any profit um but once you get to that hundred thousand dollar limit or a hundred thousand dollar you know threshold that's when you can fit in what's called a reasonable wage you know so you're paying yourself um and you it's an expense to the business so you have profit left over after your reasonable wage which comes at you at uh at a lower tax rate and that's that's you know kind of the whole reason for doing that scorp and that's what i typically tell my clients is is a good

you know a good threshold to think about is well maybe even lower maybe like 75 to 100k is really where it makes it makes a lot of sense to make that decision and and continuing profits going forward obviously too is a is a big factor thank you both okay we've got another question from michael um so i received a cp 2000 a few days ago uh it is correct if i file an amended return will that eliminate the penalty uh and so they are a self-employed sole proprietorship sure i can take that one so it i mean you really got to follow the

uh the instructions on the cp2000 sometimes it says do not send an amended return um specifically you know sometimes you you if you agree with you know whatever change they they have there then you know you pay whatever the increase or the the or wait for your refund i suppose to decrease but that doesn't happen very often um you know it really kind of depends on the situation what's missing or what the irs thinks is missing from your return and whether that's you know correct or not if it's you know so obviously in your

situation you think it's correct but if it's incorrect you know then you have to provide the backup to you know be a while why this is incorrect or or you know whatever the the reason might be um i don't know come here do you i think the most of the ones i've seen say don't don't file on amended return but but maybe i'm thinking wrong there i i think what you should do and um what you should do is respond to the cp 2000 even if you want to do an amendment you should follow the directions on that

particular letter like it's usually like a five page letter that has specific directions sometimes they may or may not um tell you to respond but if they do say if you agree you know they have three things do you agree do you not agree please respond to the notice because the thing of it is if you decide to amend and you mail something in the irs is still kind of behind on their processing of paper documents and if they don't get it and you didn't respond to the letter in a timely manner you know it just moves on

um in the legal process you know because the irs has a legal process they have to follow so if you definitely want to respond or call whoever is assigned on the letter that's a better uh way to respond to that and then if you want to have an amendment or tell them you want to admit they'll let you know if you need to that's what i would do yeah for sure the response i think typically you have 30 days from when they send a letter to respond so it's obviously important to do that um so it doesn't like like me said doesn't move

on to whatever the next irs step is you know but right getting more and more penalties obviously and that sort of stuff but um yeah i think you can respond being like i'm going to amend my return and typically they'll be like okay well you know go ahead and do that but it really depends on the situation i think right right all right next question is from alicia is it better to pay estimated taxes throughout the year or just wait and make one payment at tax time um well i mean it depends i hate to keep saying

it depends but i mean generally if you have an estimated tax requirement which in general um for people who um are you know llc's as corporations um people who have a full through entity um if you owe more than a thousand dollars and a flow through entity means that you're gonna just you can pay tax on your person with your personal return if you owe more than one thousand dollars in the prior year then that generates the requirement for you to make an estimated tax payment okay if that's the case then the irs is

expecting you to pay quarterly estimated payments at a cert by a certain date you know what i mean by those dates that they have pre done you know uh what is it april 15th this is september 15th march um the quarterly dates um if if it doesn't happen for some reason um i have seen where you know all is well and you don't get an extra penalty but they have the right to you know if you didn't pay your estimated tax on time you know then they have another way to calculate your estimated tax um at the time when you're filing your tax return

which can mitigate that if you um have a a a company that is seasonal or you know that your money comes in a little different than um it being and you and you have trouble paying it um in that time period so i would suggest if you do have an estimated tax um requirement to pay it and when it's due but you can you know it's not the it's not the end of the world like if you can only pay it at the at that time i would pay it uh you want but if you can pay it one time yeah what what i typically tell the client or talk to clients about in this

situation is you know do you want to keep that cash in your pocket or do you want to pay it and have less to oh at the end of the year the penalties for not paying your your estimated payments are are generally very small it's a half a percent per month you know which is prorated for the year so it's it's not like you're going to have a penalty that's higher or equal to or even close to you know what your tax bill is so you know if like me said if you if you can't if you don't have the

cash to do that right now i mean don't don't stress yourself you know you might have a penalty at the end of the year um you know know that you have tax coming at the end of the year but you know the penalties are generally pretty soft for not paying the estimates um but you know they're there too so you know a dollar is a dollar and it's different for every every different business owner every different individual whether they you know want to eat those penalties and hold on to their cash because maybe you

know that cash is making more money in their own investments um then it would be you know with that half a percent penalty from the irs it's really a decision based on you know the the circumstances of of your business and your your personal tax situation right and uh our next question is very closely related from katie uh so uh you can let me know either of you if you have something to add but katie's asking how can we more effectively pay estimated taxes throughout the year so we don't get hit with a huge bill at tax

time oh you can definitely pay it you know we aren't saying you know not to pay it definitely if you're like for instance if you were um working with a tax advisor here uh we like to talk to our people quarterly so that's something that we probably would be looking at what your net profit is so like if you have net profit every quarter you can see what that profit is for that quarter and let's just say you don't have estimated tax requirement but you just want to make sure you're paying so

you're not you know hit with that hefty bill in um april or march when it's time to file you know and so um you would take your quarterly amount and just do an estimate i mean generally i mean mark you can tell me um if you have a different perspective but i started like 30 um as a as a baseline if you want to just withhold 30 or send that in because that encapsulates the 15.

3 self-employment tax for people that are llc's or partners you know and then um it also gives a decent rate to go by you know the rest fifteen percent for you know what you would have for your ordinary or um you know you tax you would owe personally on that profit so um that that's what we usually that's what i that's what i usually suggest yeah i completely agree um you know the irs is always going to accept your payments so you know if you don't want to have that bill at the end of the year

send it in during the year um yeah 30 is typically what i i tell people excuse me tell people as well um it for a for a sole prop for a schedule c you know it's a little bit different if it's um obviously if a partnership you got to figure that out if it's an s corporation there's a little bit more you know moving parts because you're paying yourself a wage and you have some withholding there um so it depends on you know what your income is going to be at the end of the year you know and then

it's it doesn't have the self-employment tax on it from that from the s corporation but um i i guess the the easy answer this question is you know figure out what you might owe you know divide it by four and send it in at the at the estimated payment dates um you know and uh like can you said too that's something that you know we can help with we we talk with our clients all the time um have these conversations and help them come up with estimates and you know i don't know if either of us mentioned but you can also you know pay

what you owed the prior year 100 of what you owed the prior year in tax and you won't get any penalties for the current year so now you might still have tax out at the end of the current year but you wouldn't have any underpayment penalties if you pay 100 of what you owed last year um so you know assuming your business is going to be similar um to the prior year you can you can you know take what you would last year divided by four and that's a simple way to you know figure out what it might be right thanks

okay um next question is from merritt uh i have a dog training and boarding business i operate in a separate building on my personal property the utilities are on my total property would you recommend i charge my business a rent equal to the utility percentages i estimate or use the process of deducting utility percentages mia really likes the dog tunnel businesses i'll let her take this one this sounds really really familiar is this someone i already know no um um can you repeat it one more time for sure thank you so yep so i have a dog

training and boarding business i operate in a separate building on my personal property the utilities are on my total property would you recommend i charge my business a rent equal to the utility percentages that this person is estimating or should they use a process of deducting utility percentages uh well first it depends on the entity um if let's just say this is a single member llc and this is operating separately and so we're talking about the home office deduction or something similar um you can just use the percentage that the

building that that has you know used so i don't know how they could um you know i guess you could do the square footage of the uh all the buildings together um you know the home and then the separate building add that together and get a total square footage and then um total up the utilities and then find out what the ratio is um for the building so like if you're talking about five thousand square feet and the building is two thousand square feet five thousand divided by two thousand whatever that percentage is

um that's how much you would get in the utilities uh for and that's how much you would claim for um if if it's all if it's just on one bill um that's the best way the bottom line is to make sure that you're not deducting your you know personal portion your home portion because that that's where you can run into trouble um yeah you know it like can you said it really depends on the entity type whether you're actually making you know reimbursements to the company you know if it's a

scorpio partnership or if you know or c corp i suppose um or if it's a sole prop you know you can kind of just take that as the home office expense i mean you don't need to necessarily make the reimbursements so it really depends on the entity type and you know if you want to maybe let us know we can elaborate on that a little bit too a little bit later i mean speaking of partnerships um you know it's important to have whatever you um need or want to happen in regards to the personal property operating agreement so that way it gives

us uh the person you know the irs wants to make sure and be able to break apart personal versus business you know with partners because there's more people all partners have to agree that this is something that they want to do you know what i mean and so if that's not there then it presents an issue um bookkeeping wise being able to determine if this is something that can actually be deducted sorry merit has um said that they're in s court but that would be the filing type so uh i think we still need to know

what the business entities type is yeah to businesses well okay so if it's an s corp you know if you you need to be reimbursing those expenses according to an accountable plan um which is something that the irs you know prescribes for taking those kind of home office expenses for an s corp you have to have what's called an accountable plan in place um that basically is a policy setting up what these reimbursable expenses are um for for the shareholders and you know that kind of takes the place of the the partnership agreement

in the partnership case that camille was talking about you know having it first of all be irs compliant which is you know something that you would talk to a tax advisor talk to your tax professional about but that it you know it spells out what and how much can be reimbursed of those you know the percentage of the utilities and typically it's based on probably the the area of the the kennel versus the area of the rest of the house i would imagine right command right and so if you're speaking about the rent because she i heard the

you know i kind of missed that part earlier you could rent um like the the the s corporation could rent that kennel um out to the business at a rate i mean only thing that um i would say in that case is that it needs to have a market rate you know for your um for your area for your for your city or state wherever it is you know based on the going rate how much would a person rent that if it was not on your property you know how that's what you would like first start at you know how much would you have to pay if you had to get a

kennel somewhere else um that's off your property in the same area um and definitely still needs to you know have some type of paperwork behind it you know that shows that this is something that this corporation is you know formally doing um for sure the accountable plan has to have a base as to why you're you know reimbursing this to the the uh shareholder you know as far as um reimbursing for the utilities you know pursuant to the accountable plan the amounts you know and the accountable plan um should have that laid out you know and

then have the expenses by month there you know to be to if it's rent there should be like a rent a lease agreement right um between the between the s corporation and whoever owns the property and those those type of items should be you know prescribed in that that rental agreement um and make sure you pick up that rental income on your personal return too because you can't just take the expense without you know picking up the income on the personal side right because the augusta rule is only for up to 14 days just in case somebody

was getting ready to ask about that that's that's 14 days you can rent your home or you know kennel well and that would only be in a you know like a residential situation anyways in a commercial situation like this right so i'm just saying that i i felt that might have been something second larry asked though okay great ah all right we'll get to another question here from david uh so this question is uh in regards to new york city specifically so is there any amount of yearly profit where being a c corp makes more

financial sense than being an s-corp or are the benefits purely with regard to outside investment sure and that's why you know when we're talking about s corp it really makes sense to you know knowing know your entire situation know where you live and you know what sort of you know business you're in to um new york's a high new york city specifically a high cost of living place so a reasonable wage for someone living in new york city is considerably higher than a reasonable wage for someone living in you know wisconsin where i

live um so the irs does you know take that into account when they're you know auditing those those reasonable wages no audits don't happen very often but you know that's what we're we're here to protect you from um so you know maybe that threshold is higher for someone in new york city although you know the tax is going to be higher too so you're going to get more savings even from you know a marginal amount of income um because you're paying you know a high state tax rate and and also local taxes

um you know so maybe it evens out a little bit but you know your salary probably has to be higher to fit into the reasonableness from the irs so the the threshold is probably higher than it would be in in any random other place great all right um and so with that i think uh we will um uh we'll wrap up questions uh i want to thank everyone uh for submitting your questions a few of you have submitted multiple questions and i do apologize that we've run out of time to get to them but i hope that you found

all of these answers helpful again so if you found this type of support uh you know helpful and think that it would be uh you know something that your business could benefit from on an even larger scale imagine having a whole full dedicated hour with uh mark or kamea as can i mention you know up to four times a year think about how helpful that could be for your business uh you can actually give bench a test run with a free trial so we offer a no commitment trial where we complete a a prior month of your bookkeeping within just one

business day and then after um that trial will give you a set of financial statements to keep uh and so you know as opposed to having a 14 day or 30 day trial um you know completing a trial with bench really quick allows you to just you know get a quick sense of whether bench is going to be the right solution for your business uh and so lastly if you found today's session helpful please share our website with a fellow business owner who you think might also benefit from uh getting some of their income tax questions

answered we'd love to meet them and see how we can help so thank you everyone again for joining us and we hope you enjoy the rest of your day thank you all very much thanks for the questions

1. Tax Advisory Tuesday Q & A | August 2, 2022 - YouTube

**URL:**

<https://www.youtube.com/watch?v=9_YRn38Q14g>

**Views and time:**

**329 views / 24 months = 14 views per month**

**Keywords:**

No keywords

**Transcript:**

hello everyone it's tax advisory tuesday and we're excited to welcome you to ask a tax advisor our live q a where we'll be talking about small business income taxes i have just a couple quick housekeeping notes for today's session it is being recorded and the recording will be shared with you later today uh through the email that you use to register for today's session so if you want to check back and review uh what was discussed today you can certainly uh go back and rewatch the recording that will be emailed to you

uh feel free to use the chat feature here in zoom but just make sure to change the chat settings to panelists and attendees and that's just so that everyone can see your comments uh otherwise um just as hosts will be able to see your comments but also keep in mind when you're using the chat um try not to share any kind of personal or financial information that you wouldn't want shared publicly in a video recording and lastly we'll be taking questions via the q a feature at the bottom of your zoom screen on a first come first serve

basis so please submit your questions via this the q a button and not the chat uh i'll go ahead now and introduce myself my name is allison i work here at bench on the content team developing all kinds of helpful resources for small businesses that includes guides templates blogs and you can find all of those on the bench blog which is bench.

co forward slash blog but what is bench for those of you who are not in the know let me introduce what benches so bench is america's largest full-service bookkeeping solution for small businesses we pair you with our in-house expert bookkeepers to get your books up to date and compliant with irs standards if you ever have questions about running your business that goes even beyond the scope of your books or your bookkeeping our bench bookkeepers are actually backed by our client research team who are able to provide you with informed

answers to complex business questions so we really provide a full suite of support for helping you run your small business so what does bookkeeping look like here at bench every month your bench bookkeeper organizes your business transactions and prepares financial statements this makes it easy to stay on top of your finances and also track the health of your business as you progress month to month if your bookkeeper ever needs anything from you they will get in touch but if you ever have a question you can easily

book a call with them then at tax time we prepare a year-end financial package and you can use this package to send you can send this package directly to your accountant if they're the one that files your taxes for you or you can use this package to file your own taxes but in the event that filing your own taxes is not your favorite task which i'm sure is the case for many we can also take tax filing off of your plate as well and so what does tax support look like here at bench our tax services include a

whole team of tax experts who work with you and your bookkeeper to get you filed ahead of the deadline so that includes a tax coordinator a tax preparer and a tax advisor who we're going to meet one today in the session but this tax support isn't just limited to tax time our tax advisors like kamea who's joining me here today are on hand to support your business year-round for uh unlimited amount of support and so what is unlimited tax advisory when you're a bench client you can book an unlimited number of calls with our

tax advisors these calls you know typically they can last anywhere up to an hour let's say um and during this time our tax advisors will take the time to familiarize themselves with your finances um answer any questions that you have and offer valuable advice that's tailored specifically to your business they'll educate you on methods to reduce your future income taxes and this is for many businesses i think possibly the largest expense that your business has so really beneficial to get those reduced as much as you can

and again this service is available year round not just during tax season or at the tax deadlines so let's go ahead and meet one of our tax advisors i've got kamehameha joining me today so camilla why don't you go ahead and introduce yourself wonderful thank you so much good afternoon everyone my name is kamiyah franklin i am an enrolled agent um out of detroit michigan i work directly with bench in the tax advisory department i've been here uh just over a year when they wrote out this new startup department to

support the bookkeeping um flagship uh business that bench has so um let me just explain a little bit about what an enrolled agent is what have you um similar to a cpa and enroll agent is designated by the irs and so we're authorized to do similar things such as the cpa would do by the irs we had to take a three-part test such as the cpa take the test so we're very similar to a cpa um i am a subject medic matter expert and i've been in the accounting industry providing tax compliance tax resolution bookkeeping and virtual

cfo services for the last 13 years and i'm just glad to be here wonderful thank you come here and thank you very much for that explanation seven-year-old agent i know um that was when i joined bench that certainly was a term i wasn't familiar with and i'm sure those on the call today are the same so thank you so much oh all right um okay so let's get into what we're all here for i'm getting some income tax advice uh so if you haven't already please submit your questions via the q a

button at the bottom of your zoom screen um and that's where i will be uh grabbing the questions now and um uh let me just see we've got a couple questions okay so um we've got a question from uh rhea or ray um hi i have a question about filing taxes for the first time for my uh boyfriend's business he has a trucking business and got his cdl last year which he financed through a creditor um he has never filed taxes before and doesn't have revenue as of yet but he's wondering if he's still able to write

off the expense of the cdl even though he's still making payments of the certification um hopes i hope this makes sense um so i'm i'm not sure command if you are familiar with what a cdl is i i'm not and maybe ray you could just um drop in the chat i believe uh what ria means is the license that you have to get with the secretary of state to be able to drive trucks uh commercially uh so that's a license you get sort of like a driver's license but it's more expanded related to trucking but um i mean in general um

when you talk about being pre-revenue uh usually people and this is for all businesses now it it does make a difference whether he's operating as a sole proprietorship or if he's operating as an llc partnership corporation or c corporation but in general um there has to be um something that he would identify as when he starts the business or when he's actively doing the business so if he starts to actively do the business and do his trucking business that's when you can start taking out and claiming the expenses even though

you may or may not have income so if he has not decided to actively be in the business any expenses that occur prior to that would be considered startup expenses and startup expenses sometimes have to be capitalized over a five-year period or you can choose to claim the expenses the first year year in business so first that's what needs to happen um these are the type of things that we would speak about more in depth on a tax advisory call if we were if you know if they were clients of bench we would help them decide that

but you know in general yes you can claim it it just depends on what year depending on when you start your business actually declare it as uh you know starting up prior to that it will be considered a startup expense which is deductible uh definitely uh if not over the five-year period over one period hope that answered your question thank you all right um okay we have another question uh from an anonymous attendee hi we are a u.

s based consulting company we are looking to take on a client in london um that would be london in the uk who will be paying us in british pounds uh we will use a subcontractor in london who we will pay in pounds what are some good resources for us to research and manage the situation with banking foreign exchange taxes etcetera um yeah now kamiya you you may not know about the banking but maybe you have some insights um in terms of taxes with right tax-wise um i mean we do have a couple of people that uh handle um

you know our international but in general we mostly handle uh state united states based tax um this is you know this is the extent of our scope however um i do understand um that if you're paying a subcontractor you definitely want to talk and look into london's um you know governmental website and they have a lot of information as to what the tax laws are um that is something that we would discuss but we don't discuss that in a lot of detail um and and paying in u.

s uh you know gbp um i don't know a lot about that um but i would definitely first go to that london um government website the uk website um and you know they'll have an explanation of how they're taxed you know exchange rates different things like that that's what i would say okay wonderful thank you all right and i'm just gonna mark these ones okay um all right so we have another question from nelson uh if you are an s corp and took both salary with w2 money and a draw and then also saved separately in a

company savings account are all uh those three then um income to you that makes sense okay well the salary is definitely personal income to you uh the draw which i'm con i'm assuming you mean the distributions because uh when you're s corporation uh things that you take outside of w-2 would be considered distributions those are also income but you won't claim that you know as a separate line item it will actually be part of the net profit that's that's where you would see the uh distribution

income being taxed at um that which is also flow through to your personal return so um it's kind of like absorbed into the net profit so if there is a net profit that's where you pay the tax on now the first the company savings if you're putting company business money in there in a savings account said no that would not be income if it's a business savings account if you are like taking the money out and then putting it into your personal savings account uh then that would be considered a distribution on your books and then that

would be um tax you know like i said previously based on the profit so you won't actually see the draw you know on a line item for income or as a w-2 you would just pay the profit because uh those corporations are flow through entities that are taxed at your personal weight so i hope that answered your question if not you can send me a note when i'll answer perfect all right thank you and ray's just let me know that the chat is disabled which um i apologize everyone um i will have to look into that but uh for

now i guess just keep um submitting via the q a um this is working well um and so okay let's move on to the next question we've got one from sonya how much of income should we set aside for federal taxes and for state taxes that's a great question uh we actually get asked that quite a lot here at bench yeah that is so true um as a general rule i want to say uh set aside 30 federally and roughly maybe 15 percent statewide each state has a different tax rate so uh if you're a sole proprietorship partnership

s corporation um you're going to be taxed at your personal rate and so as a general rule just to make sure you have enough uh we say 30 because um if you're a sole proprietorship partnership you may have self-employment tax that starts at 15 you know it's 15.3 and then you will pay tax on ordinary income at your tax rate so 30 kind of encapsulates that now it may or may it may need to be less it may need to be more um but that's a general rule um states uh if you're a business um you not only have to pay for states

that have tax but there are some other states that you don't have to pay tax you know because they don't have a tax but if they do um you have to pay taxes if you're a sole proprietorship partnership for extra corporation personally and then you also have a business requirement to pay tax uh like a convenience tax of franchise tax things like that so that uh rate for instance california uh for llc's is eight hundred dollars so you would set aside the 800 to pay that so it just you know states really vary

so um these are the type of things that we sometimes need more information on and that's what we talk about in tax advisory calls so that we can look at your personal situation and be able to give you a more accurate number but 30 is a good start now if you a c corporation um as of now and until the uh government governmental bodies change the rate c corporations are taxed at 21 so your net profit will be taxed at 21 so you should put 21 of your net profit up and that should cover it um for what you know your liability would be for

that year for federal state again would change depending on what state you're in and you're in their nexus requirements perfect thank you commander okay um and i've fixed the chat so everyone the the chat should be working again maybe just let me know if it's not but i think i found the one particular zoom setting that was blocking everyone from using the chat okay we've got another question from kim i'm a realtor and just filed for my s corp and put myself and my husband who is also a

realtor on payroll what's the best way to pay my truck and gas costs can the s-corp just pay those bills or should the business reimburse the employees okay so that would depend on how you want to set up again we could provide a more direct answer these are the type of things we do on a tax advisory call but if the vehicle is a company vehicle then uh what happens is you would pay the expenses and the expenses would be deductible to the s corporation uh now if uh you're allowing a an employee for instance you said it was you and your

husband if you guys are using the business vehicle the whole entire time what would happen is any personal um expense that you have or any personal use that you use the vehicle for you have to pay that and it has to be reported on your w to as income now if you um have a personal vehicle that's in your personal name and um you are using your personal vehicle in the course of business the business can reimburse you as the employee uh on a regional basis now that has to be done in conjunction with an accountable plan

which an account plan is really just a contract you write to yourself i'm going to pay a hundred dollars a month for the use of the vehicle and then what you would do is provide documentation of that you know like a mileage log or some other type of documentation that shows the uh business use and then that's reimbursed so then it would be a taxable um i'm sorry a expense that you can adjust for the business but it's not taxable to you because you're already paying for it it's like a reimbursement

so those are the two ways that you can handle that okay wonderful thank you all right uh next question from an anonymous attendee my company is an llc but designated as a c corp not an s corp should i pay myself a salary via payroll or via dividends i want to pay myself in a way that reduces personal taxes of course so they're currently in new york state okay uh well in general um if you're doing something active in the business meaning you're doing work you're you're the ceo you're working there doing marketing whatever

you're doing that should be a salary um you know generally now if you're just trying to you you're you're more of a passive thing or you're not doing everything you could pay yourself dividends at the end of the year you know and that would be you know based on a profit or however you have your business set up um and so that would lower your personal taxes if you just pay a dividend uh because you know generally it may be tax lower but it really depends on how or what you're doing in the business

whether you should pay yourself a salary or a dividend because dividends are really just for uh you know people that are shareholders versus salaries are for people who are doing active work so if you're reporting that you're doing active work it should be a salary regardless um and the salary should be based on how much a person would be paid off the street if you um hired them to do the same job that you are doing in the business okay great super okay next question is from austin as a small business owner for a digital

company i've heard the advice to register my business in a state that that is tax friendly uh so he says we filed in wyoming for example however when we filed with a cpa he said that address didn't actually matter does the state you register your business in even if you have no residency or other connection to that state actually have anything to do with my tax filing that's a good question it depends i'm gonna say it depends and we really probably need more information because each state is different but for

instance if you're following in delaware wyoming you know generally people have that resident agent you'll be responsible for whatever franchise tax they have and they don't have a personal tax so like if you're a llc or a partnership or a corporation over there um well i'm not going to say i'm going to say s corporation that's going to flow through to your personal so if you live in another state let's just say you live in california um you still have to report and pay in file a personal california tax return

that would have that net profit of your business on there if you're a llc partnership or s corporation now if you're a c corporation it depends uh at that point you would just be doing it and filing a state return in delaware which is just the franchise tax for the year and just your um federal tax return the 10th uh the 11 20.

so it really just depends on what state and what your particular entity is but in general um you still will have to file a tax return in the state in which you're a personal um resident of and if you have any nexuses meaning if you have any income that you're doing business in for instance you might live in california you might be registered in delaware but you have substantial amount of business in new york or something like that there may be a non-resident return that has to be filed in new york it just depends depend depends on your business and you know

what type of activities you have okay okay thank you that answers your question austin all right next question is from geno hello i'm planning on purchasing a home in 2023 uh but currently file on both a w-2 and llc uh uh slash s-corp i'm assuming do you know you mean that um you follow us you're an llc who files as an escort um so the question is how can i show more income through my business tax filings less business write-off expenses or more llc member distributions um okay well distributions aren't going

to show us income for uh purchasing a home um purposes um it's going to be the profit of your business and then the w-2 that's what's going to be showing up for uh as income if you need to show uh a higher income or whatever um now as far as having less business write off expenses uh what's necessary is to you know you should report whatever expenses you have um however if you're talking about it in the realm of okay i'm going to not expect so much or i'm going to cut down on you know for instance i'm not going

to purchase the car or i'm not going to purchase a piece of equipment that i plan to to do and so therefore my expenses are lower um you could do that which would mean your um net profit would be higher and then you qualify for more because of course your net profit is higher your tax would also be higher um but you could do that um other than that you could adjust your w-2 income uh that's that's tonight that's a idea um increase how much you make in your w-2s um yeah uh or you could even explore um

you know offsetting some of that um stuff with like a 401k or ira so that you can show you have that profit but there's a write-off and then maybe the in the back end um the the uh person who's approving you for the loan may be able to add those things back now that's kind of out of our scope as far as me giving you um suggestions on the mortgage but i do know that certain items that are appearing on your income statement can be added back and so that's how they increase your income as well but you want to talk to them more

about that but those are a couple of options you can um explore great thank you okay uh there's another note here from sonia i'm just going to keep moving on just to make sure we can get through everyone's questions hopefully let's see uh we've got just four minutes left here so there's a question from thomas we are a uh c corporation in delaware and we're invoicing for it services to a partner in europe should this sales invoice be affected with some sales tax i know that sales tax isn't necessarily

in our scope of services we focus exclusively on income tax i'm not sure command if you have any um any suggestions right well the sales tax would be it would depend on what the sales tax is in europe and we do have a um a partner that we deal with so if you were a client of bench we would refer you to our uh our our partner that handles international sales tax so that one i'm not exactly sure i would have to research that more because that is a little bit out of our scope you really only have a more income tax related

questions yeah okay okay all right another question here uh is a great one i paid quarterly taxes four times a year is there any other time to pay taxes um like taxes for actual income rather than estimated well you can always pay you know on whatever the profit you have by month or by quarter um the requirement for estimated tax um as you probably already know is just to make sure you're in compliance with the government you know anytime you owe more than a thousand dollars they expect you to pay estimated

tax for that upcoming year to make sure you you're paying into your your tax enough but there are times where you know especially during covet we saw all of these people not having as much money as they used to have as a profit because they of course wasn't in business because they had to shut down so then the next year came and so the actual income is like that is regained and now they you know their estimated tax isn't covering enough so you could if you wanted to and this is optional but you could

uh either at that time you pay estimated tax pay the tax based on uh your net profit versus what the estimated tax is or uh you could just pay you know and then some at the end of the year i mean it's really up to you but your requirement is just to pay whatever the estimated tax requirement is for that year perfect all right looks like we've got two more questions we'll try and get through them i'm currently a digital nomad i use my business account to pay for airbnbs and flights since i'm working

that sounds like a sweet gig is that correct and valid what do i need to set aside and show as proof in an event of an audit [Music] okay well i'm assuming that you're paying for your airbnbs and flights in the course of business uh and you are a business owner versus being a w-2 income earner and if that's the case then that's totally fine to pay for those items out of your business account you would just need to make sure that you retain the receipts and then you would need to write down in some place why you needed

the airbnb what is the business purpose and you know who you spoke with as possible and then the flight would be you know i went here to go to this cup this conference or i needed to go to this office or i needed to do you know you just put a reason why and so that would be um sufficient more than likely in the event of an audit okay great okay uh one more question um uh well and then we'll wrap things up uh and this is interesting one so as an s corp if you had 100k in profit how much would you be paying in taxes in the

state of california i'm not sure if uh yeah you would be paying your um the hundred thousand dollars uh tax rate based on um what your income is i'm not exactly sure what the california income tax rate but it would be your personal tax rate and then you would also have to pay the franchise convenience tax for california which is uh also a percentage of that profit so you actually have two taxes in california to pay uh your personal and then business tax which would be depending on whatever percentage that is um for their

uh i mean i could follow up with you i would have to get um the rates i'm not even sure the rates just like verbatim but um i'd be interested in you know providing you that answer if you wanted it okay perfect uh and let's see okay janelle yeah all right well thank you everyone we're gonna wrap things up there um and so uh yeah we hope that uh you found today's session uh helpful and valuable um thank you everyone for submitting your questions if this type of support is something you think that your

business would benefit from on a larger scale all throughout the year imagine having a one hour call with kamea where you can get all your questions answering and squeeze more of this really insightful knowledge from her um you can actually give bench a test run with our free trial so we offer a no commitment trial where we complete a prior month of year bookkeeping within just one business day and then we provide you with a set of financial statements to keep so uh our trial is uh super quick and this allows you to

very quickly see if bench is the right fit for your bookkeeping and tax needs before you make a decision uh and lastly i just want to say if you found today's session helpful please share our website uh and the registration link for this session we'll be running these every tuesday so share with a fellow business owner who you think might also benefit from getting some income tax questions answered we'd love to meet them and see how we can help them so thanks again everyone for your time and enjoy the rest of your day bye

you

1. Bench Joins the Journey to Pay Equality Panel—Closing Pay Gaps Together - YouTube

**URL:**

<https://www.youtube.com/watch?v=H7Co37qqjQ0>

**Views and time:**

554 views / 36 months = 15.39 views per month

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**Transcript:**

okay good morning everyone and thank you so much for joining um we are really excited to be here with all of you to talk about uh the pay up for progress pledge and gather in honor of tomorrow september 18th um being equal pay day as designated by the united nations in 2019 uh my name is sicily bell blaine i'm the ceo at back out consulting um baccal consulting is an equity inclusion and anti-racism consulting company based in vancouver and partly in toronto as well um i want to acknowledge before we begin

today's session where most of us i believe are gathering from which is on the unseated ancestral occupied lands of the coast salish people which includes the musqueams quahomish stolo and slaver tooth first nations want to offer gratitude to those nations as gracious hosts and as stewards of these lands for thousands of years and and especially as we talk about equity and we talk about um equality and liberation it's really important to recognize and acknowledge um the existence of canada um and those of

us who are settlers on these lands and also we'll talk more in a moment about the the intersectional element of pay equity as well um so today's conversation is going to be an exciting one i'm i'm really thrilled to have um three representatives from three different companies who have taken the the pay up for progress uh pledge um before i do that i just want to remind folks of a couple of house uh housekeeping notes about today's sessions um so you can ask questions in the live stream comments we won't be able to

answer many questions live we'll see how things go but we've got a really great uh conversation kind of planned out for you but those questions will be taken and answered later on by uh by our panelists and then those answers will be provided to you um afterwards uh so you can keep the conversations going and and keep the keep the learning going um aside from that i think we're good to go uh you'll be able to watch the recording as well later and if you want to share that with friends you can too

um so i'm going to allow my panelists to introduce themselves um first off i'd love to hand it over to kathy quan who is the director of di for a vancouver-based accounting software company that most of you know called bench kathy please introduce yourself hi everyone my name is kathy i use she her pronouns and uh i am a um kind of feet in two worlds kind of a person lots of uh different two worlds but uh one of those is that i was uh born in california but have lived in vancouver for the last 15 years so

vancouver definitely feels like home um as cecily mentioned i am the dei director at bench accounting um a place that i've loved over the last year just being part of our growth in diversity equity and inclusion and taking a stronger stance with respect to what that looks like in the world excited to talk to everybody thanks so much kathy happy to have you here um our second panelist is tara attire who is the chief people and diversity officer at hootsuite welcome tara cecily thanks for having me um i have been with hootsuite for just over

a year and a half now i'm also in british columbia as well um i'm really thrilled to be here to talk about this really important topic so over to leslie and then we can kick it off yeah amazing thanks um yeah so my name's leslie collin i'm the vice president of people and culture at unbounce also located in vancouver i use she her pronouns and um i'm really excited to be here today to talk about um you know honoring tomorrow as a day of uh internationally recognized as pay equity day and um to talk a little bit with

these wonderful humans about what we can all do to move um this conversation forward as more than just a conversation but actually as uh action items that we can all be inspired to take away and create movement and change over the next 12 months so hopefully next year when we all get together again we have some celebrations and some wins of some of the forward steps that we've all been able to take so just a little bit about equal pay day we've chatted a little bit about the payout for progress pledge already uh

about a year ago unbounce launched this pay it for progress pledge for companies to pledge to progress their efforts against pay equity within their own organizations and ensure that the work was starting and being done right now what we know is it'll take over 200 years for us to close the pay gap that currently exists if no action is taken so when we talk about moving this from conversation to action and concrete actual uh steps to move forward that's what we really mean is those actions need to take place because 200 years is frankly

i don't know how you all feel but i feel that's really unacceptable and am motivated every time i see that stat to do more and continue to do more so um today we've had 67 companies sign up and that represents our pledge and that represents almost 8 000 employees who have had their pay analyzed for equitability across an organization which is something that i know all here are pledges and something that we can feel really proud of that we have actively started this work it is a journey we'll talk about

that in a little bit i'm sure the journey around this type of work and that we're not finished there's no checkbox that says it's done um but really we really want to help all of you uh inspire all of you to join us in this community of individuals who would like to advance the progress of progress against pay equity across your organization and across all of our communities so that a little bit of an intro to the pledge and why we're here today i will pass it back over to sicily who's going to help us

keep us on track with our questions and our timing because i i can imagine we're going to have a lot to say thank you thanks leslie for providing a little bit more context um yeah so we've got some questions to go through and i'm just looking at the chat excited to see people coming from all over to join us we've got vancouver toronto florida nigeria so cool to see people tuning in from all over today's conversation um as yeah i think this is relevant everywhere and anywhere um so i'm gonna throw out

um our first question to you um so i would first like to um hand it over to tara i would love to know what inspired hootsuite to take the pay up for for progress pledge and and yeah if you could share a little bit more about the process of taking the pledge and and yeah how things have gone for you thanks cecily um so at the time that uh pay up for progress pledge was launched hootsuite had already made a forever commitment to pay equity and to do an annual analysis of pay equity so for us really the attraction to the

the pledge was joining a community of like-minded um professionals and organizations who were committed to this cause and you know leslie had mentioned this is a journey and i truly do believe it behooves us all to learn from each other to share the collective wisdom around this journey so that we can all be better for it and not have to wait the 200 years that leslie mentioned um it's it's there's no reason for it it's long overdue so for us this was really a no-brainer it was um important for us to be a part

of this community and we started our first pay equity analysis back at the beginning of 2020 um we made corrections and then we had our second pay equity analysis earlier this year and achieved pay equity um and so you know this is this is a forever commitment this will continue to be something we look at annually um and it's a muscle that we need to maintain and strengthen so um you know i'm really thrilled to be a part of this community and learn from everyone and learn from people entering into the community as

well um so i'll pass it back to you sicily but um that's sort of the in a nutshell where we are thank you thanks so much that's really cool to hear um yeah similarly kathy i would i would love to hear um how the journey has been for you at bench and and maybe even some kind of extra success stories that have come out of the process yeah so um this has been a really exciting kind of uh progression over the last uh several months i guess um maybe almost a year is when i i first had these initial conversations with folks

over at unbounce um really excited to again like tara said join a community of folks who were really committed to this work and in that way where we could actually share some of um our challenges the barriers and um really lean into um the conversation which is that this is difficult it's difficult to do and um like folks have been saying already it's really about keeping that foot on the gas and um so knowing that there are other companies out there that are really committed to this work as well it makes it feel a little bit less daunting

so that in and of itself has been such a win of um just having access to a community of folks who are kind of arm in arm trying to to head in in a direction together um for us i would say hopefully this doesn't sound super dull but one of the most powerful things to come out of this project was essentially the structure and accountability to develop a really robust data environment so for a small team a small dei team being able to make really informed decisions about where we focus our attention at any given time is a super

invaluable thing um yes our our work uh spans across our leadership it requires everyone to be involved in some way shape or form and at the same time we really want to make sure that wherever we're focusing our attention it's the right place um and that's what this project really has been able to do for us and start doing for us starting with genders but really with the hope of expanding it in this next quarter for a lot of different demographic identities and personal characteristics and experiences

so this project has really allowed us to develop an analytics environment on not only compensation but just because of how um we have to or how how this whole study is really and this project has really been structured with the guidance of unbounce um we have data around representation overall in promotions and hiring by job level by team by proficiency by tenure and all these things that we have been able to create a structure around and now we have this incredible system um some of this information that we can use

live and other pieces that we can use in longer cadences to really help focus our attention on the greatest areas of need and to also um monitor for leading indicators of when we're kind of going off course and again it's a way of kind of directing our attention um another huge thing that has has come out of this is really this kind of um anxiety reduction uh a lot of what we found was that um the in the kind of outcomes that came out were validating some of our hunches and our assumptions so um allaying some of our fears that there

was kind of this this scary corner of our company where all of this discrimination was coming from and realizing that between these two uh worlds of the unadjusted pay gap which is just averages to averages and the capacity to kind of like start to filter for where actually is um this unadjusted pay gap coming from is it because of job leveling and discrepancies and representation across the leadership structure is it or how much of it is that how much of it is differences in representation across teams and really then to really direct our

focus in a prioritized way and that has been so empowering for us to be able to say oh this data it's not um inhuman data it's deeply human data that is from people for people it's all about directing our actions to um support people in the best way that we can so that's been an incredible just kind of empowering and encouraging um space that we've been able to develop through this uh through this initiative that um unbounces started that's amazing thanks so much kathy yeah i think that data lens is so

crucial and i think you know we see a lot of people having those conversations more broadly especially through you know the pandemic the importance of equitable data around race and gender and how that can really enhance equity initiatives when we actually yeah exactly yeah amazing thanks um leslie how about you i'd love to hear more about um yeah the success stories that have come from the payout for progress and i know also that you've been looking at even beyond pay what other kind of total uh inclusion in terms of compensation can

look like yeah absolutely thanks cecily kathy i absolutely love what you're saying about data and what came to mind for me in particular on that piece was you really when you look at as you mentioned this being a deeply human perspective i think one of the pieces that allows us uh through looking at pay equity and doing the analysis it sounds very data-driven and detail-oriented and technical work and it is but there is so much up front work to get there you have to have your ducks in a row in order to get there and it's that's where the

human piece comes in right you know we talk about hr and it sounds so distant and like lines on a spreadsheet and eventually you're going to have to get to lines in a spreadsheet to do an analysis but before you get there you have humans that live and exist in their worlds with the realities of their uh everyday lives and demands of their everyday lives and the various levels of oppression and resistance from the culture and imperfect systems that we work in that create that reality and then as a result you are working in uh you're working for

a paycheck um so everything has to come first and foremost from that lens of human first and making sure that you have the conversations around performance does somebody understand how they're doing in their role do we have pay bands do we have levels at the company and those are really big things where you can put oh yeah just check what level they are it's a one-line admin and process but it actually is a huge thing so not only is pay equity a measure and a way to say check box like we've achieved this speak

from a pay lens but the journey to get there allows an organization to start getting their ducks in a row from how they're supporting individual humans in the way that they need to be supported um so thank you kathy because it like sparked a spark in my mind how important that is and i really appreciate that um for us uh you know we started this a while ago as a company small a smaller company than we are today and uh it's really been this incredible journey and i have to call out uh the ability for me and others on the team to

be able to start this journey because i have had incredible support from the leadership team here in order to do so um so i know we're going to talk about barriers in a minute here um but that has always been a play so that's been made it a lot easier for us to be able to walk this walk and is vital to the success of these types of initiatives because if the pandemic that we're all are currently still experiencing has highlighted anything it is the care and attention required of humans in their worlds

as they come into work every day and you know part of that is also making sure that you have the resources on your pnc team to do things that matter to those humans the most and that includes uh pay equity so there's there's been a lot of really amazing knock-on effects um that have happened as well uh so you know funding for our teams and being able to actually shift focus to how do we support people um especially right now as we've been uh all experiencing a lot of shifts in the marketplace and people

choosing to change their their roles and look to different companies for their next step and that sort of thing um so we really decided as we went through this there's a lot of learnings there's a lot of fear there's a lot of internal communications and bringing your people alongside basic compensation understanding and compensation literacy i guess you could say is really abysmal across the everyone uh let's add it to the list of things we should all learn in in school uh in high school in uh education around

what is pay how do i get paid what is the salary band uh let's add mortgages to that and financial planning and lots of emotional intelligence lots of other things but i think one of the biggest things that we've learned is how important it is to bring your people alongside and take the opportunity to educate and up level the global understanding of what fair pay means and how can you add then not only uh how you can understand where you are today uh but when you move on in your career you know you're not going to

spend your whole career at the same company very few people do that these days but the knowledge of how to ask for fair pay the knowledge of how that even works to have a productive conversation at the individual level is so empowering um so that's one of the things that we've been able to start doing and have regular uh or have had regular sessions for the whole company to help continue to have that conversation and elevate that understanding for us as we move forward yes we um we've gone through a few rounds of pay equity with

multiple uh intersectional lenses of how that may or may not affect um different individuals on bounce we've achieved pay parity across kind of every lens that we've looked at from our self-identified surveys which is wonderful and really proud of but what it's really highlighted for us is that um total compensation uh is more than just a paycheck so we chose to embark on this journey because quite frankly when we first started i felt embarrassed that i didn't know if everybody was paid fairly as the

head of people and culture i was like oh i can't actually confidently say without the data that i know that to be true so because of that we started which was wonderful but as we dig in deeper and get you know further down the process that total compensation so things like um parental leave uh retirement planning financial literacy and education how are we actually tackling and um identifying what are those systemic barriers that exist not because of unbalance but potentially even in the systems that we operate in

that we can help our people navigate a little bit more effectively and create equitable experience as a result of the compensation or the pay that you take home how does that actually go into the world to support you in living your best life and i think that's the shift i see the shift and i'm grateful and hopeful for that being the shift in kind of the people and culture and total compensation world that we're actually setting up compensation structures that support people and being able to live

the life that they are choosing to in the most effective way possible as opposed to a transactional experience of here's your pay for the work that you do you know there are a lot of ways that you can have impact through education through unique perks and benefits for recognizing unique experience lived experiences and tailoring benefits packages as a result i actually wanted to ask tara if you wouldn't mind sharing the example that we spoke about around inequity inequity that shows up in health benefits and what hootsuite's

been able to do to kind of move forward through that because it was a wonderful example definitely thanks leslie i think um you know it's such an important part of um pay equity is such an important part of mental health as well um and um you know making sure as the organization that you're not putting the emotional labor on your employees to worry about their pay about their benefits about all of the systems that surround their career journey with you and so you know when we think about the lens of diversity equity and inclusion equity

and inclusion are the hardest parts of that equation um for organizations and so we've really leaned into this not just from a pay standpoint but also from a benefit standpoint so leslie and i had talked about um the fact that we've we've begun the journey to roll out new benefits globally um we rolled out in north america um rrsp programs with matching at 401k programs in the us with matching as well because financial health contributes to mental health and we've also rolled out fertility treatments

for our people so that they have equal access to these types of things that they need also gender affirmation surgery we've looked at different different benefits that in some cases are actually not offered by the carriers and have funded them as an organization to make sure that they're available to our people we've also increased our mental health benefits by six times um so we uh you know we've really leaned into the conversation around total rewards as a whole um it's so important and it's not

perfect and you know we keep talking about this as a journey and it's so important that as an organization you continue to push the boundaries of what's possible and not put that emotional labor on your people um and so you know we're continuing this conversation continuing to test and iterate around these things but it's it's um a really um it's a shared accountability as a leadership team and really important as leslie talked about for um your deni team and your people and culture teams to to lean in and not

shy away from these conversations um so thank you for joining us in this conversation and and we can share more with you um about some of these things later yeah if i could add on to that um i absolutely think for those folks who are joining us today who aren't in hr who are in people and culture or maybe in an executive or senior leadership role uh or have a role in you know social justice equity inclusion diversity that they feel like they can make a direct impact with their day-to-day questions around things like health benefits

questions around things like what type of total compensation perks and benefits are asked you know speaking on behalf of people and culture experts are professionals everywhere if you ask all those in interviews as part of your conversations with your pnc reps as with your manager uh we take notice and you know we we hear and know and even some of the most traditional companies will start to take notice if the same question comes up and up and up and up and be like oh that's a data point that we want to act on

very similarly uh we one of the reasons why it's so important like this is not a tech company pledge this is not a tech company initiative or a tech industry initiative um pay equity across the board is for every organization whether you're three employees or 30 000 employees it is a necessary step it is for all of us and by doing this together and being able to take that journey and get to the place where we can actually look at beyond just the checkbox of yep we actually pay everybody which seems from from where i said it seems

ridiculous that we're not able to say yet yep everybody gets paid the same for the work that they do um beyond that becomes the conversations of us being an army of individual organizations coming together to ask the health benefits providers who are huge organizations with so much ability to create policy and rules and regulations around what is accessible and what is not accessible that really creates a narrative that creates those systemic accompany you know like an insurance provider create the systemic barriers

for marginalized populations don't access the health benefits they need but we all together as a community and that's what this pledge is all about can actually move forward to create change when we're asking for those because they want to be competitive too right if 35 companies in a quarter 40 companies in a quarter ask for this one thing uh gender affirmation surgery for example to be covered at a certain percentage rate within your health benefits they're going to want to be competitive over the next per the next

company that's not able to offer that type of benefit so there are um huge impacts of us as companies who want to do this work coming together to actually make long-term systemic change as opposed to just looking to within our organizations yes within is absolutely critical and important like let's all do that um but being able to come together to look out and impact that change is vital as well thank you thanks so much i really appreciate the kind of nuanced layers that you're adding to this because i

think at face value we might think oh it's just about the compensation financial compensation but there's so much more that really goes into providing yeah a full kind of healthy financial physical mental experience for workers and i think as a small business owner i'm furiously taking notes of like what's possible for us in the future um we've just implemented like an accessibility fund for example which and i think what i think what you're speaking to also is fascinating in terms of like

you can put things out there and say this is available but if people don't have the literacy and the competency to understand those things that are available uh you know i remember our time first you know getting into a position where we could afford um benefits for our employees and you know looking through a hundred page document i have no clue what it is we've actually signed up for so it really takes like a quite a thorough process to go through and see what's actually being offered and then see how see what's not being

offered and how the company can then um yeah i guess match or compensate um for those things so yeah thanks so much for sharing and i love that it's kind of it's grown i guess a follow-up question leslie was that like in terms of unbounce's plan for the pay-up for progress was that something that was anticipated or something that kind of naturally organically came along afterwards at the total compensation perspective um not necessarily at the beginning i think that um as a growing organization kind

of tackling that next big rock we just looked at it as that next big rock to get past um i didn't have necessarily like a three five year strategy of what a progressive um continuing on long-term success could look like but as we move through um and it's different now now we have uh you know now that we're here we have those longer term views but it wasn't the goal in the beginning it wasn't pay up for progress pledge was not the goal in the beginning at all the goal was to build confidence in our people that they

felt they've been paid fairly uh and you know that wasn't coming up as a challenge within our within our people within and for our wonderful ambassadors but uh we i wanted i wanted uh i wanted to proactively instill that confidence and then this is what has grown out of it knowing how difficult it can be to take that step by step-by-step approach find the time to do so it wasn't the um the plan but i as you go through it's hard not to be inspired especially meeting other community members like

these two wonderful uh individuals that we're speaking with today and working with you cis lee and your team on even uh partnering on creating the pledge and the documents and that sort of thing it's it's hard not to want to do more it's hard not to see that 200-year timeline and say what else can we do what else can how else can we have an impact uh and i know that everyone on this call uh feels that as well um so all together that's that's like where we make the biggest impact as opposed to

individual most of us work for smbs these days right um so um a lot of us coming together we've created a very massive voice to create change and you know policy is changing and you know uh these types of uh legislations coming in that will require hopefully soon all uh jurisdictions across the world to report on pay equity but we're not there yet so let's get ahead of the game and let's actually proactively do it for people before we have to and say that this is actually it's a benefit it's a benefit

and it's a perk to have confidence in the employer that you work with that they actually understand and know the value of your labor and the value of your time in your days and can confidently say that you are valuable the same as everybody else coming to do that type of labor brilliant thanks yeah that's really cool and i think that's just a reminder about equity work in general that it's probably never going to be what you planned it to be and you know new exciting ideas will come along the way

thanks uh cathy i see you nodding vigorously is there anything else you want to make sure that you have space to add to this part of the conversation um i'm vigorously nodding because i'm in such uh passionate agreement with all the things that leslie's been sharing and tara as well and also uselessly um one of the uh really cool things that came out of this was just uh stronger relationships across different functions um at our company and our data team and um obviously our um our head of total rewards um was very

very um was basically like the the data driver in all of this and um what we found was that it was like gender this this little small tip of the iceberg which is gender pay equity was kind of this like shiny little um uh thing that that really drew people in like oh that sounds like a really nice idea you know and the iceberg is all of those systemic factors that are beyond gender that are deeply intersectional um that are beyond uh dollar amounts and um that are really about the experience that people are having regardless of

their set of identities that they bring and experiences that they bring and this little shiny tip of the iceberg was really what was able to bring people together and get buy-in and then an opportunity to dive into the data and realize oh this is a bigger conversation it's exponentially larger but in this like really exciting way of like now that we've started here we now have tools we have this baseline foundation to have really powerful conversations in all of these other areas and say oh um because of this little indicator here we

were able to realize that there was this other kind of gap over here and we wouldn't have known that had we not kind of dived into and been drawn into this little tip of the iceberg and i love how um it's expanded into um kind of like um a way of being at a company as opposed to like oh the the total rewards and dei team are over there in in their own little isolated land doing these special things that we can say oh like good for us you know um but actually it's uh it was a place where we could actually have

a lot of culture shift conversations as well um okay if if we would like to take this pledge that means that we are this kind of a company that has to have consistency in our actions across a lot of different areas then it can't just be oh we pair our folks well um and equitably but we do this other thing up here that's totally antithetical to all of the kind of like baseline first principles that would indicate that yes we care about pay equity um and that's just been a really really um i i think i've just been impressed upon by

the way in which the small thing can really grow into like very organically grown into kind of like what kind of a community are you building at your at your company and beyond your company amazing thanks thank you for sharing okay so i have another question and maybe tara will start it off with you this time i'm curious to know um as you've moved through this process uh what are some of the bigger obstacles that you've faced and and maybe what would you have wanted to know before you started engaging in this work

yeah that's a great question um i think that you know when i think about the obstacles um and you know for companies thinking about this right now it's a really important question the biggest um challenge i would say is planning so making sure that no matter the size of your team dedicated to this that you're planning and um you know it it is a really a process where you need to slow down to get it right and then be able to speed back up again and so you know planning is a is a crucial perspective that you need to

have or a lens that you need to look at this work with and um you know there's the financial planning there's um do you have the structures in place to be able to analyze the data as well and um take corrective action and think about what the commitment is that you're making because identifying pay inequities is only one part of this but the you know the iceberg that kathy talks about um is is also inclusive of changing the motions within your business the promotions the the hiring um you know and and we when we looked at

pay equity we looked at it um through the different identities of our people so it went beyond gender and so it was really important that we thought about the planning in advance and then as i think about a barrier going forward um you know it's something that's keeping me up at night um is really around the comp data so um you know we've got legislations coming into play and things like that um but as a people professional who has built a career where comp data and benchmark data is valued um you know i i have

recognized that it's fraught with challenges there are systemic issues with the data there are biases in the data and we all go out to market and we buy surveys to benchmark roles but if you think about um just at the you know the little shiny object that kathy talked about just at a gender level there are roles that were traditionally held by one gender um and those roles um can relate to different business functions and the data is often based on decades and decades of biases and so you know what we're starting to

think about going forward is how do we break the system so that we can actually achieve true pay equity based on contributions not pay equity based on comp data and so you know this is something that keeps me up at night it keeps me also energized about the future of pay equity about thinking thinking about how we break down this the systems that have really allowed for this to perpetuate year on year decade on decade so that you know our children our children's children don't have this as a question mark um

and so i'm not settled with um where we are right now i think that there's so much more to do and so um you know this is this is one of the big challenges or barriers that i see but if you're starting on this journey the key is starting to slow down so that you can speed up later plan plan plan um think things through you're not gonna get it all right it's it's not um perfection is the enemy of great here we need to lean into the conversations and um you know hopefully that answers the question but there's

still more questions for me um than answers longer term so i look forward to sharing and thinking about this collectively and figuring out how we build a new structure thanks tara yeah i really appreciate those reflections and definitely agree that uh yeah when we focus too much on on being perfect we we will probably overwhelm ourselves and yeah we need to be aware that challenges will arise um leslie how about you what are what are some obstacles that you faced at unbounce yeah i mean i want to call out first sight what i mentioned

earlier and i think most of us uh on this call haven't had this as a an obstacle but one of the biggest obstacles is funding and buy-in from an organization both from dollars time and priority from a dollar is a time and priority perspective and how do we actually move through that so i'm not the best expert to speak on that but what i can say is that the world the culture the society uh the demands of employees you know the great resignation so to speak those are all these are all can be impacted by the work that you do

around equity inclusion justice uh and diversity at your organization um so if you're looking that that's one bear that we didn't have to face because it's been embedded in our dna from day one that this is obviously important work and yes we'll have the time space and energy and prioritization and dollars against it um but i would urge anyone who is facing that obstacle to really look to how are you competitive as an employer and look to this as an opportunity to um you know not only do the right thing we

i know everyone on this call and likely everyone uh watching is a hundred percent on board with this being this is obvious this is the way that we need to go equitability is not the nice to have it's the required to have it's the bare minimum um but that is not the way of a lot of organizations so start where you need to there is no right or wrong place to start the important thing is just to start and i think uh plus one to what tara said around planning this will take more time than you think and when we we talk about it

being a journey there is no end goal that's because it takes a lot more time than you think uh even if it's 15 minutes a week that you're able to put aside or 15 minutes every two weeks to start that process small that's that's impactful and that will add up to change over time like i said a year from now i hope we all meet and there's there's micro progress and macro progress across all of our organizations um so we really struggled with that time piece originally we didn't understand

how much time it would take it took us longer than we thought we had to engage our data analytics team in order to sort through the data and ensure that we were actually analyzing it correctly because you know we do okay with data analysis but it's not our expertise and we wanted to make sure that especially with this very important analysis that we were getting it right so our wonderful data team uh was able to step in but that of course means hey this is a new project not in your your roadmap how can we make time for it and

had to delay so really having the time in the space uh is the most important thing um was the most important barrier that we had to to work through and then knowing where to start as well uh that starting point knowing what do we have from a data perspective uh kathy mentioned kind of that like shiny tip of the iceberg that's where we started with gender diversity because that's the data that we have most companies have that and i think that's naturally where most companies do start because you can just

start because that is demographic data that is generally available even if you don't have other intersectional pieces to work with you can start and at least get the process in place so if you don't have that i would offer that one of the best place to start is how are you asking your employees about their identities uh and making it optional and encouraging creating a a culture of safety where a good amount of employees have the trust and respect for the collection and handling of their personal data in order to actually

provide that so you can start that so when we talk about this process being all it sounds like you just analyze the data there's a lot that goes into that if you have 10 of the company providing their data it's going to be really tough for you to run an analysis because there isn't the trust of being vulnerable and providing your identity metrics to the organization in order to actually work through because you obviously can't assume ever so that uh that was something that we had to work through um we were really

lucky that we have a high degree of trust with a lot of our people and we're able to work through that barrier quite quickly and have well over 80 of our organization voluntarily complete their self-identification survey and one piece that's really was really important to us is that um that is always changeable at any given point it is not a once per year because people's identities shift and change over time and we want to make sure that we're capturing that on an ongoing basis whenever is right for

that that individual um and then the the final piece that i want to talk about um was my own fear and our own fear of getting this wrong i'm gonna be vulnerable for a minute here um i was comfortable in my own privilege of ignoring this problem for a long time um for you know a good four years uh at during my time at unbounce and it took a lot for me to recognize that what i was actually doing was sitting back in the comfort of my own privilege and ignoring this um not being able to move forward for others with a fear of getting it wrong

i understood that i understand the weight of the importance of this conversation and getting it right for people and the fear of not getting it right held us back for too long so that is something that i personally had to work through and i encourage all of you to be able to find a way to work through that journey individually because there is um i'm sure sicily can speak to this uh very well on everyone on this call but there's definitely the personal side of working in um equity work social justice

work diversity inclusion there is a personal side that is really required to build up and understand what your role is in that and how to move forward for an organization in the right way so that was one of the biggest barriers but what i can say having moved through that is uh and continuing continuing that journey and continuing uh to recognize my role in that is that um getting it wrong is the best opportunity for learning the quickest so don't be afraid of getting it wrong don't be afraid of saying the wrong

thing it happens own it learn from it move on and you will be absolutely astonished by how much change comes out of that demonstration from a leadership perspective of vulnerability and change and being able to help the organization model that for the organization as well thank you yeah that's so important leslie and i see people in the comments very much agreeing with what you're saying i'm going to read one comment here that i really like someone's saying people's identity is dynamic and fluid

institutions and systems prefer it to be static and categorized and i think that's yeah a really powerful way to summarize it um yeah kathy how about you what are what are some um some obstacles that you faced yeah um we kind of talked about this earlier around um being a part of an organization and a culture that has trust built and some baseline uh um acceptance and leaning towards the fact that systemic inequity it does exist and i know that that's not actually always the case for a lot of folks and yeah leslie i really

appreciate you um really naming that and recognizing that sometimes the barrier first is actually convincing people that there's a problem at all and that can be a really difficult conversation and a difficult barrier to kind of cross with respect to folks who are more privileged but also in those seats of um influence and decision making power um one of the things that i think um because we're all on this lifelong journey of progressing and moving the needle towards greater equitability for more and more

folks who have been historically marginalized um one of the things that has helped us to move our own needles um has been this kind of um raising of what baseline should be um i think uh there if i think of even 10 years ago you know this idea of what is acceptable um is is different in a lot of places certainly in my own communities um and um we in in this kind of um uh sort of remote room we can actually be part of the conversation that shifts what uh baseline acceptable is and move it up and up and up and keep

pushing from the bottom up and that certainly has been our experience of wouldn't this be a nice thing to achieve um a nice idea to there is actually no other acceptable way of operating our own business and finding ways to actually press that conversation into a new baseline um and and in that way really focusing on integrating this kind of work into this larger kind of baseline which is how do we do business uh here at this company um and and really working towards that that integration piece and i would say that

really was um where um i've spent a lot of time investing in was to shift the conversations and i think those conversations those initial conversations were probably the most challenging and then once you get that hook into the pledge then it's like all right let's go let's go let's get rolling and you work with the people that you can but i certainly have a lot of um yeah um i want to recognize the the trickiness of getting to that that new baseline first um and sometimes it is kind of this this

this iterative process um around getting there um and just to get to this question of fear um around not getting to pay equity i would encourage anybody who has this sort of like well i don't i don't know if we can get there um don't let that be the reason why you don't take the pledge the pledge isn't saying tomorrow we are going to have or it's not that and i really appreciated that about the pledge the pledge was join us in this process let's get started let's move forward and that was

really the and and there's so much support so much um explanation and infrastructure that's already in this guide that unbounce has created you're absolutely not alone and taking the pledge is really saying we're facing in this direction and and the motivation and the focus of our efforts is in this direction and i think any of us who's joined this conversation can say yes my my um posture is in this direction towards greater equity um for across genders and um for pay and then you know all of those larger

conversations can come from there but um don't let it stop you from taking the pledge uh really what you're doing is you're saying yes to a community and yes to a direction and a focus um and then around the mistakes thing i i thought one of the things that i thought i found most powerful was just a part of that new baseline was we will make mistakes a hundred percent chance we will make mistakes and and once you kind of once that's your baseline it's like well we're gonna do it and now i don't have to be afraid of

making mistakes i it's gonna happen um it's more of a a conversation of when it does what are we prepared to do and um yeah it's totally just uncomfortable um and it's worth it uh there's no part of this process that makes making a mistake not worth it um and so starting from that just yes absolutely we will make mistakes and and being able to be transparent about that with the entire company and saying you can expect us to make mistakes and also we're still saying we're going to do

this regardless this is this is the the direction that we're headed and we're going to make mistakes in that direction and not the other direction anymore and um i think that that has just been like a a real kind of again a laying of fears um to just sort of yeah face those those um um challenges and those mistakes head on um and and just say okay regardless of um this is the only way forward actually um is is in this direction towards pay equity um yeah and i i feel like i could talk a lot about the systems and the

infrastructure that you have to build um and and um and you get to build actually and um just want to reiterate just how powerful it is actually to it if we're talking about new baselines um this is information that is powerful for your company to be measuring uh anyway um it's so important for decision making in a lot of different ways and um equity is really there is no part of your business that is untouched by this conversation around equitable experience and equitable outcomes um and so if you can

put that word really into your decision-making process for literally anything this is baseline data that your company should have and um should be building off of and should be making decisions off of from a business standpoint overall and certainly um as part of that conversation as an integral part of that conversation um this question of is this decision equitable um so yeah it's a it's a powerful tool it's a powerful community and um uh yeah from from our standpoint it's the only way forward um and so super

encourage everyone to whether it's this pledge or another form um to to tackle in that direction and kind of fumble forward in that direction thanks yeah thank you for sharing um so we've got a couple of minutes left i i wonder if um any of our panelists have any final thoughts or any final takeaways they want to share with our audience i i'd love to just share something it's a question that often comes up for those you know friends peers fellow colleagues that don't work in people and culture in

hr or as a leader that has a say in the strategy decision making process or the budgeting decision making process and those sorts of things is i'm aligned let's go this is all well and great but what can i do i don't understand how i can have an impact and it's vitally important there's there's a few pieces that are vitally important we all know and are learning rapidly on a daily basis how important the voice of our people are and you know that sounds so base level that sounds so base level but

it is shockingly true people drive success of an organization not the other way around people are the heart of an organization that create revenue outcomes uh profit outcomes shareholder value people create that so as an individual as a group of individuals at any organization your voice is powerful even if it's just a conversation with your people leader find out book book a meeting with somebody in hr in people and culture regardless of how big and seemingly inflexible and unmovable an organization is it's vitally important that the

conversations start and happen asking powerful questions about salary bans asking powerful questions about how do they work asking powerful questions about how do i know i'm being paid equitably how do you know i'm being paid equitably as the hr person comp person you know head of operations head of finance whoever it is founder ceo whoever it is that you can get some face time with uh those conversations are how you start and building your own understanding around compensation around uh what is fair for you understanding um

you know what a salary ban means so you can have those conversations and when you go to an interview for whatever your next step is in your career you're having that conversation asking the right questions because then you're also going to be getting back from the company that you're choosing to join or not join an indication of how the manager who's interviewing you who's going to be your partner and your leader for x number of years what is their level of literacy around this that's an indication for you

about the type of organization you as a person and a whole bunch of group of people get to decide to come together spend a significant amount of your days putting effort and energy towards the success of that organization but you get to choose that so asking those questions give you the uh ultimate power to make a decision about what is the type of organization that you would like to work at and how can how are people their pay and their equitable access to benefits and um you know what the culture is like those decisions hold the

ultimate power at an organization how you spend your time and contribute to that success so i encourage anyone who is not necessarily directly involved in compensation planning or strategic planning around compensation uh there is so much power that your individual voice can hold in every conversation that you have at your organization so take those points i get a little bit find a little bit of information that you need in order to start those conversations and take them forward um because they matter and i

guarantee that somebody else will follow on talk about it with your colleagues other conversations will happen and then it becomes from a grassroots movement to a groundswell to a priority at the organization when enough people start asking thanks leslie really appreciate that tara and kathy any any final thoughts i just wanted to thank leslie sicily and kathy for having me on the panel i think this is such an important topic and um i'm really excited about the fact we're we're talking about this

on a linkedin live we're having the conversations pay is such a deeply personal thing to people and so um you know it's it takes a lot of vulnerability to talk about pay with your manager with your leader your people team member and so if any of us could be here to support you please reach out we're happy to support you in how to start those conversations and start thinking about this journey so thank you for having me and um i hope that we get the ground swell with the community that we're looking for

to really make meaningful lasting changes thanks tara yeah plus one super grateful for this conversation and for the folks who have joined us um yeah i i feel very privileged to have um kind of been pulled into the fold here and so i'm super stoked about all of our efforts to drive in this this direction thank you um well folks that brings us to the end of today's conversation we really appreciate you tuning in and and hope that you've learned a lot from our wonderful uh panelists i know the team um

are popping in some links into the comments there for you to continue doing this work and to find out more about the pay up for progress pledge and all of the other work um that's being done at unbounce hootsuite and bench so thank you so much to tara leslie and kathy for joining me on this panel and yeah i hope we can all stay in touch and continue to do this really important work thanks everyone

1. Now Hiring: Director of Demand Generation at Bench - YouTube

<https://www.youtube.com/watch?v=0RWcbqUzik0>

Transcript:

hey i'm ava uh i'm the senior director of marketing at bench and uh i'm looking to hire for a director of the men generation well what is that adventure what am i looking for um so in this role you'll basically oversee most of our acquisition teams uh that includes the paid acquisition team the content marketing team as well as affiliate and partner marketing um and you'll be responsible for most of our lead and traffic generation as well as client uh client generation and and so that makes you a very

important uh part of the team and really what i'm looking for is is somebody entrepreneurial you either owned a business and then you grew it from zero to something that you're proud of um and and that would show that you have a lot of grit and you're relentless in trying to find acquisition channels and strategies that are different and and over and above what every other business does um but that also mean that you could be you know working in another company another sas company tech fintech and that you've you've been

in a in a demand generation role or an acquisition role for for a few years and you've led a team ideally you you manage people and you're a great coach a great leader with a low ego and really eager to achieve results through others so so you'll be achieving results through your team and i'd really want you to be passionate and fired up about making them the best they can be and that's a really important part of this role um the other important part of this role is really be be creative and be relentless

in finding ways of doing marketing differently i think in in the sas and tech world we've seen it done over and over again and um i'm looking for someone that is willing to build a legacy um and trying ways to be adding value to our customers um in in a way that really speaks to them and through that uh work on building uh marketing acquisition strategies that that can sustain uh sustain our growth um and in terms of of bench and and what we're here for um we're here to deeply impact the life of

a million people so we're dedicated in changing the life of small business owners um and we we do that by supporting them through relieving the bookkeeping pain point that they have uh but also just helping them navigating all their finances so i really believe that that we as a company and us as a marketing team can can change life um and uh well i'd love for you to to join us uh on this journey so if you're interested and you think that you fit this profile um look at the job description uh hit apply

and then send me a message i'm looking forward to chat with you

1. What Is The Entry-level Accounting Associate Role At Bench - YouTube

**URL:**

<https://www.youtube.com/watch?v=0yz11C_jce4>

**Views and time:**

**2,900 views / 36 months = 81 views per month**

**Keywords:**

No keywords

**Transcript:**

[Music] as a company we're growing what's really important when looking for an accounting associate is often uh not what people expect you're going to make an impact on a bunch of people's lives and you've got to be lit up by that every single day by working with your clients you have an impact on their lives the accounting associate role is sort of like the front line worker for all of the amazing small businesses that we get to interact with your day to day is going to form these amazing connections and getting to work

on bookkeeping and really help these incredible clients that we get to make such a profound difference in each and every day whether that be hopping on a call last minute to go over anything in their accounts providing up-to-date financials so our clients are able to apply for financial relief mortgages or loans or just everything that we do that enables our clients to take that time back we want people with a genuine interest in helping small businesses succeed and remember we are a startup and things change fast around here so

we'll also want you to be scrappy and connect the dots to make things work i'm personally looking for someone who has the soft skills of empathy resiliency and personal accountability as you are dealing with our clients but also working in a team capacity and really taking ownership of your own portfolio as we grow it means that more and more we need people who step up into senior positions we need people who step up and want to become leaders and who want to learn how to be a manager i started out as an accounting associate

with no accounting background and i'll say that you don't need to have an accounting background to be successful at bench we'd love to hear from you you can apply at bench dot co forward slash careers

1. We Are Growing Our Product and Technology Teams At Bench - YouTube

**URL:**

<https://www.youtube.com/watch?v=73WO4q7-p_g>

**Views and time:**

**828 views / 36 months = 23 views per month**

**Keywords:**

No keywords

**Transcript:**

[Music] why should you be a bench well first off we're on a great big mission we are investing in our technology so we can make a profound difference in the lives of a million entrepreneurs you will always be creating value making a huge impact in the life of our benchmates and our customers all while living a rich personal life there's a lot of reasons why i really love working at bench it's very human you know we put people first you know we're going to try to make a profound difference for a million people primarily aimed around

small businesses those company values that we live by those are our superpower in my opinion every single person who works here is actively creating our culture every single day through every interaction and that is why we're looking for wonderful people like you we are rapidly growing really exciting time for us as we look to grow our product teams we have all the security financially of a larger company that's a more established business really exciting times for us here at bench our product team is still small and

growing so you'll get to have a big impact not just on those customers but also on our team we're looking for passionate talented software engineers of all levels to join our team you can read more about the details of the positions on our website bench.co careers so if you are looking to make an impact in the lives of others bench is the company you'll want to work for and we want to hear from you specifically i want to hear from you so come and talk to me

1. Bench | Innovation & Culture - YouTube

**URL:**

<https://www.youtube.com/watch?v=vU8tSw7Gn2s>

**Views and time:**

130 views / 36 months = 3.61 views per month

**Keywords:**

No keywords

**Transcript:**

[Music] welcome everyone my name is yoki and i'm on the vancouver startup week team and before we begin i would like to take a moment to acknowledge that we are grateful to be virtually gathered on indigenous land regardless of where you are joining us from um i am grateful to be on the traditional ancestral land unseated territory of the musqueam slay with tooth and squamish peoples i am privileged to live work and play on these lands so i want to thank you all for joining us for vsw 2021 and welcome to the innovation and

culture session hosted by bench if you have any questions for our speakers please post them in the hoova q a and you can also upvote questions there i'll now pass this over to chris and we'll begin the session i'm just noticing i'm not allowed to present my screen okay one second all panelists so while yoki's uh no i i'm still not able to okay kathy are you able to yeah let me jump in here and see if i can great um what do i i'll get started um quick agenda welcome everyone uh if you

just go to slide three um welcome from the bench team uh the uh we're gonna talk about well two topics and i'm gonna leave some time for q a the first topic is innovation and culture uh and i'm gonna talk about what i argue is a very bottoms up bottoms up organic uh like in the blood of the company approach to innovation that that is generated through culture and then uh kathy is going to talk about dei a super important topic to bring out the best in our people and also you know do something great in the world

and then we'll leave 20 minutes for q a so cathy unfortunately i have to do lots of these that sounds great so quick introduction to myself um my name is chris uh i am the head of sales and operations at bench i started my career as a strategy consultant in financial services i absolutely loved using math which i was studying at university to make to to put it to use in the world but i did not like the zero-sum approach to finance and then i found fintech and uh fintech is an opportunity to use technology to create disruptively more

efficient and customer obsessed uh outcomes uh products and services uh and just focus on people and helping people and drive down the costs and the simplicity of financial services um while while also building great business models so i i knew when i moved to vancouver from london i started my career in london i knew i wanted to find a fintech i found bench i just connected with the mission uh and what is bench doing bench is uh the world's with north america's largest bookkeeping service uh although we're no longer just a

bookkeeping service uh we do bookkeeping we do accounting services we do tax filing we do tax advice for over 11 000 clients now growing quickly um and what we're trying to do is just be disruptively affordable and simple and accessible for the micro business so think about the zero to ten employee business we're not we're not trying to go up market and get into fancy accounting what we're trying to do is trying to tell people that want to be solopreneurs or or launch businesses at their origination

that we're going to be the easiest and lowest cost accounting solution for them so i'm going to start so the topic of today is innovation or we're i was asked to talk about innovation and what makes bench innovative and i was thinking about that and you know the longer i've been at bench i've been at bench for about four years the more i realized like this is not about me or it's not about our ceo ian who had this visionary idea you know eight nine years ago but the innovation that i'm increasingly

seeing at bench is just everywhere it's it's distributed in our 650 people and so i wanted to talk about innovation and culture and how like those two are very very tightly linked uh so the story i'm gonna start with was just a conversation just a coffee i was having last week with a team member on our data processing team christina so christina uh again she's on his team data processing who are specializing in for the banks that we can't get stable automated data feeds for because bookkeeping is all about

pulling in data in super efficient ways and then getting it and like manipulating it into accounting books for some of these banks we don't have efficient data sources and so what we have to do is just scrape data from pdfs and other documents as efficiently as possible we have a team data processing set up to do that the team is amazing but it's also about one of 15 different teams that are working together in a really really tight system to provide this disruptively affordable accounting solution so it's just one of

15 teams that you know i'm working with on a regular basis and christina's story was you know she's been here for about two years uh loving it and her experiences you know that the team is always in change the team is always challenging itself the team is always questioning his processes questioning its systems um and just generally like really supportive and awesome and what she told me that it both blew my mind that didn't was that in the last year her personal productivity had doubled she was producing twice the amount of

output than she was a year ago and by the way efficiency in our line of business is important because it's you know what we're trying to be is disruptively efficient in the providing of accounting services so that we can go out there and provide the lowest most affordable and accessible rate in the market so christina you know is on a team that you know before i had the coffee with her it's an awesome team i knew it was an awesome team you know i see the results every week they're crushing their

targets but this is just one of 15 teams that that benchmates are experiencing this constant evolution constant change constant challenge um and just like micro innovation from her teammates a lot of the innovations that came in the last year some of them for her team some of them came from our engineering team some of them came from our business operations team these centralized functions that like build systems and processes and innovations and automations but a lot of them just came from her teammates like rolling up their sleeves

and trying to figure out a new way to do something so i loved it and so christina and i just started unpicking like so what what makes this tick like why is this your experience why you know that you know for christina's experience this is the most innovative and positive com you know experience that she's had in her professional career but actually it's consistent across bench and what drove that and my point if you go to the next slide is that innovation fundamentally is a team sport like it is not a big

idea from a startup founder it's not yes there are genius ideas from startup founders there are genius ideas from you know product leaders that are designing and then building product and startups but a lot of brilliant ideas don't work and what it makes a competition your company successful over the long run is a it is just an innovative culture like in its blood where you just you know when you have a hundred employees then two employees or in ventures cases 650 employees and those 650 people are showing up

thinking innovating and pushing and pushing and pushing so kathy they keep doing this so the culture like so and so my my core point is that christina's experience was that her the culture on our team or the culture on the bench team has created this experience that everyone shows up and innovates and how do you define culture well you know i actually you know i was interviewing a candidate recently and she asked me um okay i you know i read your culture guide i'm about to start talking about the culture guide by the way and she

said that's awesome i loved it really connected with me but she said is was that was that organic or did that like come from a ceo or come from like a a person in hr and my point was culture is just like you know it what like a lot of startups kind of feel like sports teams like you know it when you're on a team is clicking and it's working and you know when the culture works and you also deeply know when it's not working like your own personal experiences you're showing up and not giving you 100

percent my experience of the bench culture is something organically generated over time i've been at bench for four years those are not always easy years there were ups and downs there was crushed targets and high fives on the on the sales floor when we back you when you used to be being on the sales floor and there were uh there was absolutely some so there were some lows and there were some missed targets there were some cash scares you know startups are fundamentally hard but what um organically emerged uh we

then pulled a team of you know people from across the business about a year and a half ago once we noticed this like emerging culture that was just clicking and we said just like figure this out like can you just get like we have lots of workshops people put on whiteboards and sticky notes and we just try to like articulate the culture that had emergently generated like already um organically generated and it's this organic culture is driving christina's experience on her team but i would argue on all the 15 teams that are serving our

clients and by the way there's even more teams that are selling bench and you know building our technology etc etc so i'm going to talk about our five principles that i think describe our culture well uh or as well as you can with words so kathy the first one is uh to take a stance and actually just state what you want to be the type of people that are willing to state what you're going to do especially when it's uncomfortable so bench is taking a stance you know we serve 11 000 clients uh but we're

we're just a fraction of the way along the journey that that we're on you know we're here to make a profound difference in the lives of a million entrepreneurs by making entrepreneurship substantially more accessible and affordable and easy we want we want to be the accounting geeks so that you know a million entrepreneurs in the american market can be experts in whatever they do you know artists or you know they want to launch an e-retail store or they want to be a lawyer or they want to be a photographer

great we'll do the geek we'll do the accounting geekery and make it as easy as possible for you but the point about taking a stand is the point about taking a stand is it puts you out there to be criticized you know when ian you know a few years ago said we're going to take this to a million entrepreneurs benches in trouble we're having cash problems our growth was slowing some of the cultural things hadn't quite clicked so we not all not everything in startups is is a straight line and wonderful but you know it it was

easy to criticize a cynic could say there's no way there's no way the trajectory that you're on is ever consistent with getting to a million dollar a million clients and then once you once you make that stand is easy to create is easy to be cynical about and we talk about the company stand but we talk about personal stance you know my personal stand in addition to just you know building a phenomenal life for my family i i started my career in london not a lovely place to to live your life i moved it to

vancouver because i just wanted to have an immense family experience with with my kids when they were young so that's one of my stands but the other stand was i wanted to use my kind of math and finance brain to make an impact in the world and you know at bench we're encouraging people to make these statements by the way like it automatically reduces cynicism which i think is one of the most poisonous and challenging you know there's a cynical distance that's very easy and i certainly had to unlearn it from my 10 years in a

corporate you know big company career in london was you know there's a problem with everything everything wasn't going to work in a startup you have to be all in you have to keep your eye on the north star as those eventual ups and downs and downs and ups and ups and downs happen so we want people to say that they're going to do something have it be uncomfortable but then let that guide them through the ups and the downs my experience with christina was she's been on this team for two years and she was absolutely lit up by

the ability that you know as she doubles her productivity that drives down the cost of bookkeeping for small businesses she was also lit up by the fact that as her team was being more you know more and more productive it was actually taking on more and more uh aspects of our day-to-day bookkeeping work and as that happened our bookkeepers started to have just generally more enjoy you know they focused on what they were good at which was dealing with you know interacting with clients and advising clients and so you know christina's experience

was she was absolutely lit up by the fact that this is a company on a mission so the second one was that we keep it human and that because we're a bunch of humans people it's gonna get messy you know i um you know we're in the business of providing accounting services at scale you know most traditional accounting firms are like they have i don't know a few hundred clients and a handful of cpas and they're charging you know probably 10 times what we're charging per you know per client um so it's

small scale high margin we're at immense scale and very very low margin we're constantly pushing down our prices we're trying to be as aggressive as possible because we want to bring this service to the world so to do that we think there's a lot of systems we have to think about processes and improvements and iterations and innovations but fundamentally you know one of the statements i i frequently use with my team is like we're just humans helping humans it's just people helping people there are people out there that need to

understand their fun you know that that wants to be entrepreneurs but need to understand their finances and make sure that they're not over underpaying their taxes like that's where we come in but we're delivering it through people and the point about keeping it human is to be deeply understanding and empathetic to the you know i talked about the company's ups and downs but what about personal ups and downs and that fundamentally the way that we all show up to to do our jobs and make an impact is to support and help other people be

better like fundamentally my job is i have six direct reports my job is to make those six direct reports better at their job every day their job is to make their direct reports better at their job every day and it's just this idea that there's just you know lots of humans that all have ideas and all have roadblocks and impediments and need coaching and need support and need need to be recognized when things are going well and supported when things are being challenging and we just put that at the center of

our culture by the way this is what we were doing already we just decided that we'd write it down the third one is to be responsible and and also to stop being told what to do next you know this one you know when i when i spoke to christina christina like how how is ben so different than your previous experiences and she said well fundamentally we're all just kind of trusted we trust each other but trust is a really interesting concept because trust has ins you know it has um [Music] it has tones of like this kind of like

um moral and ethical thing which by the way matters like you should be hiring good people for your team people that are good people but also competence like can they do the job well do they have the skill everyone here in the world has an amazing skill set somewhere in their career but if you are um you know i you know fundamentally if you don't like working with numbers you know you're probably not going to end up being a bookkeeper you might but you might you know maybe you just love connecting with people and be an incredible person

on a sales team so there's a performance element in startups you know demands you know if you're gonna go on a big mission you need incredible people in a high performing culture but fundamentally like we do that we get incredible people we train incredible people we coach incredible people and then we trust the hell out of them and you know christina's experience was like i can just get on with my job and guess what in the last year she's doubled her output now what what also is happening is other

people are trusting other people there are people on christina's team that will say you know what this month i'm actually gonna do less client-facing work because i'm gonna work on these automations and people trust them they're like awesome you do that we'll make it we'll make it work for you but uh you know there's just a like deep almost like an assumption it's not even almost there's an assumption of trust you know what again one of the statements i frequently use with my team

is like if you don't trust the people you're working with either they or you should not be on that team and by the way i think we have an amazing team at ben so that rarely happens but you know if i was to imaginarily be on another you know back in my corporate career you know i would kind of grind through these experience even though i didn't really trust the other person on the other side of the table and now i know like i just shouldn't be on that team so once you trust people people take responsibility and

you know at bench we've done a lot of work to articulate it doesn't matter where you could be a sales rep you could be a client success rep you could be a bookkeeper you could be a cp a client facing cpa you could be one of someone on our research team someone on a data processing team by the way there's like a lot of teams involved in you know disruptively affordable accounting services but all of those people have razor sharp clarity on what they are accountable to deliver then they're trusted to be responsible

and not micromanaged they you know they they can go off and do it in their own way and what that creates in christina's team and in other teams is people are creating these micro innovations right they're just like oh wow i'm doing this thing there's a better way to do this thing and then there's this like hive mind on waze you have multiple people responsible uh you know for different you know they're all working on the same team they all have the same clear outcomes you just get this hive minds of

innovations kathy the fourth one is default open sharing all of the uncomfortable data so back before bench's culture really emerged what we experienced was uh you know when i think about default open sharing of data we'll talk about things like financials anyone at bench can log into our financial plan that shows the next you know three to four years of cash flows you know or our trajectory our plan trajectory for the next few years of cash flows and the financial results into a pretty wild amount of detail like pretty

granular you can find out some pretty interesting things and we just put it out there it's data like why not you know we have our monthly fp a meeting where our finance team presents last month's results and says hey this is where we did well and this is where we really didn't do well that's that's a publicly available zoom for anyone to attend and we get about 10 to 15 of the company chooses to log into that so there's like financial data but for me there's also like qualitative data feedback

for people who you know you know direct feedback hey you're you know we're working together on this project and this isn't working or like hey you know my i was planning for x amount of lead gen and the leads didn't show up uh by the way that's what the sales team would say to the marketers over the last few months the marketing team has been saying hey i've been giving you all these leads and you haven't been converting them at the high enough rate and it's just really encouraging

really direct flow of information now what what prevents that in my experience from my corporate career and even in the first few years of bench until we organically got good at this you know the opposite of open data for me is ego people who are solving for themselves over for the company and its mission you know if you had a bad result as a sales leader it'd be pretty easy to like you know obscene and like throw dust in the air and come a bunch of reasons and maybe like massage metrics or the metrics that you report on

um but that doesn't help anything and that that solves for yourself i'm a sales leader by the way amongst many you know that's that was actually my first role at bench was you know really working on the sales team so i'll talk about sales that would work for me and make me look good oh like chris hasn't made any mistakes here but it won't make me any better at my job and so we had to learn and i had to unlearn this from my corporate career to be incredibly low ego it doesn't matter

like let's not solve for myself let's solve for the mission and if we're all being successful against the mission we'll figure it out so it's just opening up okay these are the sales results okay you open that up it's pretty painful but now our marketing leaders and our operations leaders can all start to contribute to what can we do better here and if you want people to innovate like fundamentally the data is is it getting more efficient is it getting better are client outcomes being better

all of that data needs to absolutely free flow and what we organically figured out is the more open the data the faster the innovation the more ideas that get generated last one get scrappy we used to have a principle before it gets scrappy that was something about like experiment together and it was very kind of fluffy it felt awesome it was that's like yeah we experiment but you know bench had ups and downs and what i noticed in some of the harder times was it actually started with our sales leader aydah aydah um is just an incredible leader

and a motivator and she just inspires confidence and she inspires people to do things you've and if you know if you take ada a problem she'll challenge you know if a rep comes to her with a problem she'll say awesome and challenge them to find a solution which is very challenging but you know the words you kept using that just caught on like wildfire was scrappy like hey we don't have a lot of resources we don't you know start up we're taking on into it a hundred uh i think they're worth a

hundred billion valuation their engineering team is 200 times our engineering team and that's our competitor it's like okay we have to like we can't just do one thing a little bit better than them we have to like outflank them in about a million different directions and that means every single person on this team has to just get scrappy and just just try it and here's the thing about experimentation like experimentation sounds great awesome yeah let's experiment that sounds fun well guess what

most experiments fail and what we're trying to remind people is you know when you get scrappy just just try it and and as leaders you know ada and myself and my other direct reports we're trying to like de-risk the fear of failure we can celebrate it we can sell it like every time someone comes to me and like ah this didn't work i'm like great what did we learn and we just talked about what we learned and we're like great so when like this is a learning that we're gonna have for the rest of time at bench

now what are we going to do next and it's again it's really kind of just scrappy like just try it like let's not you know import big corporates you sit around you analyze things because because people are fundamentally afraid of taking a risk that might go wrong might somehow like be attached to their reputation and again but like you know get scrappy is just you know this idea of just okay it's good enough let's go and christina's team it was there was literally she named three or four other

of her colleagues this is like on a team of 20 who are just constantly spitting out these new micro innovations and these new automations most of which don't work so gonna wrap up i know i'm slightly over time innovation uh it might start from a startup ceo it might start from a big idea some of you know every now and then there might you know there's going to be some big product innovations and certainly bench does those as well but a vast majority of innovation that happens in any team has to show from 100 of your team

showing up and giving 100 percent that comes from culture that come you know showing up with 110 of their brains and their creativity and their drive and their passion that comes from culture and culture is really really hard to pin down but i think this is a pretty damn good approach attempt at at codifying the bench culture and i'm going to wrap up there but i'm going to pass it over to kathy who on the top of getting 100 people to show up with a hundred percent has been driving our dei at bench and i

think just an immensely immense way so thank you kathy you're on mute i'm gonna stop sharing for a second here and see if i can get uh get it out of full screen thanks chris um because we also wanna make sure that we and yoki if you're still there um do we have time to uh at the end where folks are actually able to um ask some questions if they go fantastic i can share the questions later as well okay i have seen them on my screen you do okay fantastic yeah feel free to um ask questions uh to yoke as we go along um so i'm

gonna um move into diversity equity and inclusion at bench um how is that related so essentially what we're asking here is what's possible when you have an actually truly innovative culture um and and between the pandemic and uh black lives matter alone this last year has been really an absolute pressure tester for a lot of companies and our culture and our cultures um i joined bench late last summer as part of our company's response to the murder of george floyd which actually today marks the first year memorial of his

death so we can take a moment to just um yeah that's a it's a huge moment to recognize wow one year ago was that tipping point for a lot of us of saying uh that's enough um we're not going to participate in this trajectory and we're going to do something different um and what i will say is that the culture um is really why we were not only able to commit to anti-racism and anti-oppression as strongly as we did it was not only then and not only able to um sustain our commitments um but it was

really actually why we were able to continue quarter on quarter to really double down on our engagement and actually reshape who and why we are for for the long haul um something i've heard a lot of companies talk about over and over again is profitability and innovation as the reason or the business case for pursuing diversity equity inclusion um or anti-racism as a company and for a lot of us just making a buck or even an um innovation uh or like a flashy new thing isn't good enough um and that certainly also um

describes bench so rather than innovation being a business case for dei we've taken a stand for anti-racism and anti-oppression as a non-negotiable baseline and what we found is that an innovative culture is actually then what enables and empowers a company and its people to stand for something and for reasons we can also stand behind um okay so so what was the stance that we were able to make um i'll start with our mission which chris actually um briefly mentioned earlier which is to make a profound difference in the

quality of life of a million people and more particularly entrepreneurs and small business owners um and really wanting to do that um in not kind of like um generic way but actually ensuring that that profound difference is a good one for people um and that that one million people actually includes everyone so trying to go this uh not colorblind or all lives matter sort of a way but rather in actually recognizing the pervasiveness of discriminatory financial exclusion in this industry that we we are players in and so um the dei mission for my team

then was to really ensure that the commitments that we made were in line with our commitment to anti-racism and anti-discrimination as a company um and that it was actually shaping who we were and therefore the impact that we did have and that we do have in the future and because of all of that we were able to make this really bold stance with respect to um our response to that tipping point following george floyd's murder and it was this um our stance was that we recognize systems of racism and discrimination absolutely exist

we also recognize that we have been complicit in these systems and that we need to actively work against them that we are engaged in this ongoing work so it's not a moment in time of identifying and dismantling systems of racism and discrimination throughout our workplace and building more just and inclusive ones we also recognize this this absolutely would not be perfect the chance that we would make mistakes was 100 percent so um stating that super clearly we are going to make mistakes and in the face of that action is non-negotiable

and that we are committed to investing in change doing the work of learning and unlearning apologizing when we do fail and trying again um and this wasn't simply a stance that we took in say for example the recruitment team or the people team even um this was a stance that was company-wide and that has a lot of implications just recognizing that a lot of the conversations around diversity and inclusion this this phrase of diversity and inclusion were largely relegated to recruitment and um a kind of like an optical representation

and what we wanted to make sure was that what we said actually meant something across the entire company that our commitment was a stance that we took as a company from our ceo as well as our leadership but also across all the different business units recognizing that that kind of a statement has implications for the way in which we do what we do in every part of the business and so um how in this kind of environment is dei enabled is our commitment to anti-racism enabled so i'll kind of go back through our principles here through this kind of

a lens um so taking a stand doing what's right and that really was this baseline of systems of racism and discrimination do exist this is a really straightforward almost maybe blase statement to some people but it's actually an incredibly threatening statement to others um so for us this is our baseline this is our why and it is our culture of taking a stand on things that matter to us that enabled us then to start here rather than somewhere else like a business case for profitability uh default open being really open to

being held accountable um that shows up in our statements that um we are recognizing we're complicit in this these systems this is a statement that's on our website we're saying this is who we have been this is who we continue to be and that we're working against um and so we are doing this work of saying uh there's a problem and we need to fix that there's a problem and we need to fix that and as we're doing that hey we made a mistake and we're sorry um when you have a culture that is low ego

that is blameless that isn't sort of like always trying to find out who to point a finger at to say this is your fault we're failing forward as part of the deal and where there is a premium put on vulnerability and transparency you can actually commit to change in environments where making mistakes is actually guaranteed um and mistakes are guaranteed um when you commit to the work of of anti-racism and anti-oppression um in this work we often say if you're not failing you're not doing the work

um so owning our failures has also meant being about um focusing on our learnings and then being able to actually share them more widely recognizing that a lot of companies are asking the same questions we are and um i'm trying a lot of different things and we want to add our voice to the conversation and say hey we tried this it didn't work this is what we learned and we tried this other thing and that and it did work and by doing so we may be able to help each other um help another person out help another company out

along the way and this also encompasses that line of of the capacity to apologize as a company the ability to say um we messed up and we are sorry um i think this is a terribly rare skill set out there and one that is actually really crucial um to our default openness as a company uh be responsible own your outcomes um so this is around that statement we're engaged in the ongoing work of identifying and dismantling systems of racism and discrimination throughout our workplace and building more just inclusive ones we are

about the work um indeed i work it's really really important to ensure that we make a very clear distinction between our good and best intentions and our good impact and outcomes that means that we own the impact we have on our teams on our company in our industry and in the world and ultimately it means dei is integrated and baked into everything that we do and um i'll take a bit more i'll talk a bit more about this later in terms of how it pertains to systems change but really this is about owning that

kind of integrity piece this is more than just um a bunch of people saying we don't want to be racist but it's really about then saying okay what does that mean and how can i measure that and how can i ensure that i'm being held accountable to that desire uh get scrappy um so action over fear action is absolutely non-negotiable even in the face of mistakes and even in the face of failure so um in our environment um we absolutely recognize you don't have to be an expert in diversity equity and inclusion today

as a leader in order to lead your teams in that way anti-oppression is a long journey it's a lifelong journey but what we are committed to at bench is developing ourselves into leaders that are invested in equitable change in our own right so in how we interact with our teams and how we make business decisions we are all drivers of dei at bench um these this isn't kind of like a programmatic isolated committee or um a holiday a year or that sort of a thing it's really about um that kind of innovative scrappy

iterative attempt and experimentation across the entire company because that's really the only way that change happens is a lot of people trying a lot of different things in the same direction and so at the end of the day it really is about doing something over nothing and again not just out of good intentions but for good impact and then keep it human this is really the whole package delivered by and for real people that means that people are not expected to contort themselves to fit some mold of normativity

we absolutely encourage our people and our clients to show up as their whole selves and we take responsibility for ensuring that that is possible we do not ignore differences we recognize and value them uh it means we take ownership for ourselves and our actions um and it means that we are all open to learning from one another no matter where we sit in the company uh so what does that actually look like um this is a really not pretty drawing but it'll get the point across um it this really is the uh an ecosystem

the only way that this can work and the only way that innovation can continue to iterate across the entire company on this matter of a more equitable future for our staff and for our clients is for it's to actually live in kind of an ecosystem and that ecosystem is training and education for all of our employees as well as our leadership additionally it's also this flip side which is all of the training and education that does happen at our company is then also looked at and sifted through and assessed um

through uh dei lens to ensure that there is an equitable approach to the curriculum itself as well as how it's delivered systems change um that is then uh um affected by our training and education so we're hoping that as we become more educated and we change what we know we are also applying that to what we do so systems change really is how do we do what we do that means how do we determine compensation what is our brand identity and how do we communicate that how do we proactively communicate or recruit and and

how do we design our products um and who do we design them for uh what are our performance assessment frameworks and procedures and how do promotions get determined at bench um where and how do we spend our money how do we develop budgets um how do we make decisions um at that level how do we interview candidates um who is our client base and and who is not our client base and how do we care for those people so you can start to see gosh this is really it literally is everything that we do and trying to apply a new mindset to

everything that we do and everything that we do is done by people and we want to make sure that those people actually um genuinely um feel as though they can show up as their full selves or as much as themselves that they would like to bring to um to bench and so we want to ensure that we are actually taking responsibility for the environment that we do cultivate at bench and that's all these things around belonging and then public engagement that really is that accountability circle the more we put out there the more we're

getting feedback the more we're giving back the more that people are able to kind of add and innovate even on what we've done and um we've definitely started that conversation last year and it's been a really vibrant one and a very fruitful and rewarding conversation that we want to just keep building on and keep kind of growing what does it look like for a company like ours and other companies to make anti-racism and anti-oppression commitments and then have it really flood through all the things that we do

to have an impact in the world um just a couple examples of how this shows up so um one of the things i'll i'll say just a couple examples just because the time but one of the the places this has shown up the most is in our new banking product um we are um building a bank and we're adding that to our product services um banking is a incredibly historically and present racist institution um overtly as well as um uh inadvertently and so it means that it's embedded in the way in which credit is distributed um who gets banking who

doesn't get banking um who gets lending and who doesn't get lending and that has severe implications for how we're able to deliver on um a a service like this and so our entire leadership team that is uh that is that is building this product um as well as some of the builders themselves we are taking part in a five module series on learning about the history of inequitable banking practices and policies and about new innovations on how to actually um offset some of those discriminations that that exist and that

is both training and education but also going into the systems change space really in order to have that larger wider impact um on a product that we really care about and that we're innovating on all the time and so this really is like one of great example of how innovation and equitable practices and anti-racism can all come together to develop a really really impactful product that will do hopefully really really well and draw in people that actually would not have otherwise had access to a product like this and a service like

this and so we're super excited about innovations like this and and continuing to go in that direction um for time's sake i'm happy for us to go to questions all right one question we have i guess this is for chris how has bench encouraged kind of an environment of trust that you were talking where employees feel free to experiment with new ways of working because i guess that's like we do want to encourage more employees doing things that way so the question is how sorry you're okay i mean to interrupt no

go for it yeah go ahead but just to clarify the question is like how do you create that culture of trust presumably if you're not in a culture of trust how do you get there exactly um i'd love to say there was like a magic formula um i can talk about like the bench journey and then it was kind of long and arduous and then we were there and it was obvious in hindsight uh by the way there's like a great book that i keep intending to read but i'm terrible at reading books because i just have no time but uh the speed of

trust everyone recommends so every now and then i'd google his frameworks and i've read about one third of the book uh on this topic of like how do you create this culture of trust um the experience that i had at bench um the the word i keep coming back to is um so for trust i think there's two sides i think there's like this integrity and intent by the way i'm saying i think i actually think this i'm just stealing this from the speed of trust right now but it's a good formulation of like what

what i experience as well most good books you read after you've made the learning and it just connects the dots but there's this idea of integrity and trust and um intense like do i trust this person and will this does this person has the intent of the team in mind or is it are they solving for themselves and the other one is this idea of competence like is you know one thing i saw in a lot of corporate environments is there is this like peter principle that people get promoted until the point that they're kind of struggling

and then it's like whenever you're interacting with someone you always you never you never know like how do they get in that role and do they actually have competence and and i would say in the latter like performance cultures matter in startups like we all [Music] just need to deeply trust like i i can never i have a sales team and that sales team is converting leads that markings produce i i need to just know that marketing is awesome and i can just move on and think about sales like if you ever have those doubts of your

other teams it's poisonous and it just startups are hard like you'll never get there so performance culture is is a given and necessary like you need to be really good at hiring really kind of make sure that you're hiring exceptional people that that are are great at their jobs coaching assessments promotions like all of that and unfortunately as a leader performance management like making sure that you have the right people on the team most startups know that the other one on on the integrity and intent

this is the word that i keep coming back to is low ego um something i i observed i actually worked for two consulting careers and uh consulting firms early in my career um one had this like culture of like pushing the credit onto others and like falling on your sword and taking all the blame when things go wrong and the other one had the absolute opposite so i saw these like two very contrasting scenarios of what i started to call ego and i just noticed in the lower ego culture of like if you keep solving for the people around you

the team does well and if the team does well your career will also be pretty awesome so here's the thing is like you can be what i learned is you can be very very low ego and still be very very successful in your career those are entirely consistent whereas you know people who are solving for themselves in the short run that ego of like by the way sometimes it's like machiavellian and like a lot of people think about ego's machiavellian but frequently it's actually the ego might display itself as like

defensiveness like something goes wrong oh it wasn't my fault or like it's it's um obfuscating like what absolutely happened oh no it wasn't sales don't worry it was something else that was the problem um or when you missed a sales target like everyone's pointing at other people so um how do you get a team of low ego it that that's challenging i think that you i think selecting a team matters here like you know i was at one firm that was very low ego and another that wasn't and you know had i been smarter and

today i would have actually assessed those two opportunities those employment opportunities looking for that data point because i don't think you know i think as one employee it is challenging to change it amongst many but the other one is you know for anyone who's listening as a leader is hiring but also um just uh like demonstrating a lot of your behavior as a leader gets mirrored in ways that you you almost hard to you almost don't like it's easy to overstate but it's also easy to understate

the ability you know if you're working with others by the way i say as a leader actually as anyone your behavior gets mirrored and people notice low ego and people will be around people with low ego and reciprocate it with low ego i say frequently there are making machiavellian people take advantage and then that person or you should not be on that team but but but seriously like i it just needs to be demonstrated and you know i my experience at bench was um there were some toxic people that our ceo had to make hard

decisions about in it but then that was only like one or two the rest of it was just people demonstrating it and it had a snowball effect and everyone kind of noticed what was working and everyone kind of mirrored it and replicated it and then it became part of the culture and then the people that didn't fit in that culture left and then the people who are attracted to it came so it just very very slowly over time i think snowballs thanks chris um we might have time maybe five minutes for one more question i guess for kathy if

you can share kind of an example where bench has learned from one of your own experiences with dei and how that has changed yeah um i'll speak from my own personal experience just recognizing that a lot of the questions that i tend to get in this environment is how did you get people to get on board and i think that's a crucial question uh because uh the only way i think or i should say the way in which impact can really be become exponential um out of a company uh say for example like bench is if everyone

has some sense of responsibility and ownership so that's why i really really um i think that those those key aspects of a culture it doesn't have to be those five in that exact way but there are very specific things about bench's culture that have enabled the environment of of high impact and high change and one of those is this kind of like blameless be responsible kind of a aspect to it and when you say hey this is all of our responsibilities and you have a culture that understands what it means to take ownership of

something um then there's a there's a difference in which how and how people kind of interact with that and so one of the things that we did um fairly early on was um we started to actually meet as an entire senior leadership and um what this meant was um that in this environment um we were all able to start um experi experimenting and practicing in a no judgment high accountability environment of hey let's just give this a try let's give this let's all try to actually integrate dei into what we

do and how we do it let's do it together so i don't feel alone i don't feel like i'm the only one but also in an environment where um it's essentially i'm developing a practice of it's not the dei team's responsibility they're here they're going to do all the dei things and we're just going to go do our own thing over here but actually re kind of imagining that relationship i'm here to support you you are the subject matter expert in product design so i'm going to work with you on what it

looks like to integrate dei into product design because i'm not a product designer turns out and so actually walking hand in hand with leaders as they're looking at their very specific environments and actually looking to make change in that environment in that way that has been one of the most fruitful learnings uh at bench at least for me is when we all give it a try then there's way more energy around it there's also way more buy-in and there's also way less fear and anxiety which all of those things kind of together

coupled with this culture of yeah i i'm responsible too um and i can get scrappy and i can make a mistake and i can apologize for it all of those things um were sort of interacting in this environment of hey we're all senior leaders here and we're all going to take some piece of this and own it but we're going to do it together we're going to do it shoulder to shoulder we have kathy's support and her team support and we're all going to take those baby steps um in the same direction together

and um yeah i would say that was that has been one of the the greatest learnings um certainly for me but i think um all of us have kind of found that space to be an incredibly um learning environment for all of us awesome that's thanks for sharing your thoughts on both of us well we are kind of approaching the 10 o'clock mark so i do want to thank both of you for coming here and giving talking to us today and for the attendees for joining the session

1. Tips for Job Seekers Applying to Bench | Meet our Recruiters! - YouTube

**URL:**

<https://www.youtube.com/watch?v=DGr3702DwSM>

**Views and time:**

2,000 views / 24 months = 83.33 views per month

**Keywords:**

No keywords

**Transcript:**

hi there i'm jackie i'm the recruitment manager here at bench accounting i look after all of the teams that we have here so that's volume and growth product and technology service and support and our executive search my name is ayla and i lead our growth recruitment team here at bench hello my name is sarah and i am a recruitment team lead here at bench the biggest tip that i have for job seekers is really just to be themselves we really celebrate authenticity here at bench and being able to show up as your true self

is extremely important i definitely highly suggest taking time to answer the application questions that we have for each role these are designed to get to know you a little bit better and really designed to see if you have might have the right experience so it's really important that you do some research on the company look online about our values our mission statement and really be able to talk about why that stands out for you and why you think that we're the company above other companies that you might be applying to

what i look for in candidates more so are those software skills so adaptability empathy coach ability i would say probably is number one if i'm being quite honest we have the fully remote option our team is spread kind of all across the country and even further afield we have unlimited flex days so you just ask for your manager's approval to take any time off definitely won't face any issues on that side of things it's a very flexible company in general we have a wonderful culture of default open so

you are encouraged to provide feedback all the time and to to take feedback all the time i think the thing that sets bench apart from everywhere else is that the people at bench genuinely care about others and at the core of everything they do there's a genuine person behind it i think that it's a really kind and caring and supportive place with a really great culture if you want to learn more about bench more about our values our culture i would encourage you to go to our website we have an amazing mental health guide

we also have a lot of dei programs that we are implementing if you're looking to make an impact in the lives of others and in the lives of a million others at that then bench is definitely the place that you'll want to be anybody who's interested in bench interested in learning more to go to bench.

com forward slash careers we look forward to seeing your applications coming in you

1. Bookkeeping Basics for Small Business Owners - Getting Started - YouTube

**URL:**

<https://www.youtube.com/watch?v=Qz4OhwYqpbU>

**Views and time:**

**4,100 views / 36 months = 114 views per month**

**Keywords:**

No keywords

**Transcript:**

[Music] if you're a small business owner and you want to do your own bookkeeping but don't know how this video is for you consider this your bookkeeping 101 crash course here at bench we've done the books for thousands of small businesses bookkeeping may not be the most exciting thing ever but we've got it down to a science in this video we'll teach you what bookkeeping is why bookkeeping really matters and the seven steps to doing your own bookkeeping

1. Bookkeeping Basics for Small Business Owners - Defining Bookkeeping - YouTube

**URL:**

<https://www.youtube.com/watch?v=dvIQ5M9tiLQ>

**Views and time:**

2,500 views / 36 months = 69 views per month

**Keywords:**

No keywords

**Transcript:**

bookkeeping is defined as the process of tracking all of your company's financial transactions so you can see exactly where your business is spending money where your revenue is coming from and which tax deductions you'll be able to claim

1. Bookkeeping Basics for Small Business Owners - Why Bookkeeping Matters - YouTube

**URL:**

<https://www.youtube.com/watch?v=-ZN_7X5gtwA>

**Views and time:**

,900 views / 36 months = 81 views per month

**Keywords:**

No keywords

**Transcript:**

that's a lot of words but why does bookkeeping matter for your small business number one bookkeeping matters because it helps you catch more tax deductions when you record and categorize every transaction in your business you'll be able to see which expenses are tax deductible so that nothing falls through the cracks without year-round bookkeeping you'll forget about one-off deductions like lunch with a client eight months ago that you could have deducted even with the best of intentions deductions will always fall through the

cracks at tax time unless you have bookkeeping in place number two bookkeeping matters because it can help you get a business loan if you're applying for a small business loan banks are going to need to see financial statements and i don't just mean the type that you can download from your online banking you're going to need to have something that shows your expenses and revenue otherwise known as an income statement this is something you're going to be able to get through bookkeeping number three bookkeeping matters because

it can help you catch financial mistakes when you're bookkeeping you're keeping a close eye on the transactions in your business which means you'll be able to catch things like bank errors invoicing mistakes like paying somebody twice and sneaky subscription fees for services that you forgot to cancel number four bookkeeping matters because it gives you a clear picture of where your money is going when you have bookkeeping in place you'll be able to keep track of your expenses so you can budget better you'll also be

able to understand your cash flow so you can see what's an expense versus a payment to a loan or a credit card you'll also be able to track how your business is growing and improving over time and what months are busy and slow this will help you plan for the future don't worry about taking notes everything we're about to say is in our guide bookkeeping basics for entrepreneurs you'll find the link in the description below

1. Bookkeeping Basics for Small Business Owners - Separating Business and Personal Expenses - YouTube

**URL:**

<https://www.youtube.com/watch?v=a8TotsSp60o>

**Views and time:**

2,100 views / 36 months = 58 views per month

**Keywords:**

No keywords

**Transcript:**

now the first step to doing your own bookkeeping is separating your business and personal expenses you'll want to make sure that your business and personal transactions are not intertwined so it's clear to the irs what your business is earning spending and then what your bottom line net profit is this is especially important for c corporations to have separate bank accounts for business and personal finances c corps open themselves up to legal problems when their finances aren't separate from personal

transactions

1. Bookkeeping Basics for Small Business Owners - Single vs Double-entry Accounting - YouTube

**URL:**

<https://www.youtube.com/watch?v=c-MDPhfm9sQ>

**Views and time:**

**4,700 views / 36 months = 130.56 views per month**

**Keywords:**

No keywords

**Transcript:**

the second step is to choose between single entry or double entry accounting double entry is a system of accounting that tracks where your money comes from and where it's going to essentially you record every transaction twice picking assets from somewhere call to credit and putting it somewhere else called a debit your debits and credits should always equal each other that's how you know that your books are balanced for example say you buy a new laptop for your business and it costs a thousand dollars

you'd subtract one thousand dollars in cash from your credit account and add one thousand dollars in assets to your debit account you may have lost one thousand dollars in cash but you gained one thousand dollars in the form of a new asset double entry accounting is kind of like double checking your homework and it helps you create financial statements which you'll need to make smart financial decisions so what is the single entry method it's essentially just recording your transactions once as they happen it's less robust but if

your business is a simple sole proprietorship with no inventory and no employees you can probably use the single entry method if your business is any more complex than that your accountant will probably recommend the double entry method

1. Bookkeeping Basics for Small Business Owners - Cash vs Accrual Method of Accounting - YouTube

**URL:**

<https://www.youtube.com/watch?v=m018u9LeQZs>

**Views and time:**

**2,600 views / 36 months = 72 views per month**

**Keywords:**

No keywords

**Transcript:**

the third step is choosing between the cash versus accrual method of accounting on a cash basis you only recognize revenue when you receive it for example when you deposit the check into your account on an accrual basis you recognize revenue when it's earned for example once you complete a project and write the invoice if you're a small business or just getting started you can probably use the cash method it's easy to switch from cash to accrual if you need to if your business is more complex for example if your business earns more than

5 million per year in revenue or if you manage large assets or investments you'll probably need to use the accrual method either way you should talk to your accountant to figure out which method will be best for your business

1. Bookkeeping Basics for Small Business Owners - Choosing A Bookkeeping System - YouTube

**URL:**

<https://www.youtube.com/watch?v=qpTLwdJijQg>

**Views and time:**

2,400 views / 36 months = 67 views per month

**Keywords:**

No keywords

**Transcript:**

step four is to choose a bookkeeping system your options are to do it manually using something like excel or just paper or use an accounting software if you do it in excel you can use something like our free income statement template for a simple bookkeeping setup all you have to do is enter each transaction as it happens if your bookkeeping needs are straightforward this is the easiest cheapest way to go you can download this excel template by clicking the link in the description below if you choose to use accounting software

there are a few options for small businesses such as quickbooks xero or wave you'll pay a monthly fee for the software which you can use to produce simple financial reports keep in mind though you may need to have an accountant's help to learn how to properly use the software step 5 is to categorize your transactions categories are essentially classifications for your transactions to understand what you're spending on these types of categories can help you understand what your tax deductions are not all transactions are equally

tax-deductible so you'll want to know what you're spending on office supplies versus what you're spending on meals for example if you buy a box of pens for the office you'll categorize it as office supplies at the end of the year you'll be able to see the total amount you spent on office supplies and you'll be able to deduct that cost on your taxes

1. Bookkeeping Basics for Small Business Owners - Organizing and Storing Documents - YouTube

**URL:**

<https://www.youtube.com/watch?v=DO_Exq7mAFk>

**Views and time:**

3,900 views / 36 months = 108 views per month

**Keywords:**

No keywords

**Transcript:**

step six is to organize and store your documents you need to keep records for your bookkeeping but there's a bit more to it than just storing all of your receipts in a shoebox there are two important rules for your record keeping rule one if the expense is over 75 you should keep a record to prove the expense rule 2 you should keep every receipt and financial record for three years as for actually keeping the records we recommend storing them digitally the irs is totally fine with that and it's an easier way for you

you won't need the receipts to actually file your taxes but you will need them if you get audited some tools you can use to keep your records digitally include receipt bank evernote and shoeboxed

1. Bookkeeping Basics for Small Business Owners - Making Bookkeeping A Habit - YouTube

**URL:**

<https://www.youtube.com/watch?v=2ImiCjyIM4I>

**Views and time:**

2,800 views / 36 months = 78 views per month

**Keywords:**

No keywords

**Transcript:**

finally the last step is to make it a habit bookkeeping isn't the most exciting thing but if you do it consistently you'll have smart financial insight into your business every month of the year and you'll save yourself a lot of time and headaches come tax season at minimum we recommend entering in all your transactions at least once a month block out a recurring time in your calendar and do it somewhere fun like a coffee shop or do something relaxing like putting on netflix while you do the work the more automatic your bookkeeping

habit the easier your tax season will be nobody likes a stressful bookkeeping binge now should you do your own bookkeeping or hire someone else to do it for you doing your own books is free that's the biggest draw but it can be complicated time consuming and can take you away from running your business if you're interested in doing your own bookkeeping click the link in the description for a free income statement template created by our expert in-house bookkeepers here at bench if you decide to hire someone to do your

bookkeeping it helps save you time gives you confidence your books are being done properly and makes tax time a whole lot easier if you aren't sure who to hire check out bench we're the largest bookkeeping service in north america and we'd love to do your books for you and that's it from us here at bench good luck on your entrepreneurial journey and happy bookkeeping you

1. What Can I Spend My EIDL Funds On? | Everything You Need to Know - YouTube

**URL:**

<https://www.youtube.com/watch?v=i-V4BbbZ2cc>

**Views and time:**

**2,000 views / 48 months = 41.67 views per month**

**Keywords:**

No keywords

**Transcript:**

hey everyone this is brennan from bench back with another video this time i'm going to be talking about the permissible uses of the eidl loan now you may have already received your loan if not you can still apply the applications reopen to all eligible small businesses on june 15th we actually have a walk-through video for the whole application goes line by line and tells you all the details that you need to fill out but just as a quick reminder when you apply for an eidl loan you also apply for an advanced grant which is going to

be just a tax-free grant for your business that you can use right away as a quick injection of capital so highly suggest checking out that video but in the meantime for those of you that have received your idle funds and now you're looking at some of the restrictions around them let's demystify all of the different use cases and start to dig into the nitty gritty of what can you use it on but more importantly what can't you use these loan funds for now i just wanted to take a minute to quickly address the background

information of the idle program itself because i believe there's this misunderstanding that it was only created due to the pandemic and the recession due to covet that's actually not the case this was a program that was in place by the sba prior to the pandemic to address any areas that were affected by natural disaster in light of the pandemic this has been expanded to obviously be applicable to all states it seems that all states were affected by this economic recession so the purpose of the program was to

essentially sustain businesses over a period of affected economic injury something where business operations were threatened and cannot continue in the way that they were in the status quo as this is the case the eidl is intended to be working capital which is to say it's intended to cover day-to-day expenses covering things like rent utilities your monthly recurring expenses things like that so let's dig into this definition of working capital because working capital is what's available to be spent on inventory

operating expenses short-term debt things like credit cards and loan payments your monthly recurring bills are a great example of this as i mentioned before things like rents and utilities so essentially anything that you need for your day-to-day operations uh to run your business is considered a permissible use of eidl funds however because it's so robust in what it can cover in all of the expenses that are permissible it's more important to be aware of what you can't use your eidl funds that's going to be the better

information to equip yourself with so what are these expenses that you can't use your eidl funds on well for starters there's dividends and bonuses disbursement to owners which would be any draws or distributions repayment of stockholder or principal loans expansion of facilities or acquisition of fixed assets which you can consider like purchasing new equipment new manufacturing equipment the repair or replacement of physical damages refinancing long-term debt so for instance if you had ten thousand dollars

outstanding on a loan you would not be able to pay down that balance in full paying down federal loans from the sba or other federal agencies or relocation those are the explicit expenses that are not a permissible use of the eidl funds of those i really want to highlight two of them the first is that do not refinance a long-term debt maintaining your monthly payments is fine but paying down an entire balance or a large amount of the balance is when it becomes not permissible think of it as trying to maintain that

status quo trying to keep up with your usual operations so you can make monthly payments to your loan you can make your monthly payments to your credit card but you can't pay down that balance in full at that point it is going to be considered refinancing the second one that i want to touch on is do not acquire capitalized assets so don't go buying a new vehicle to do deliveries or a new piece of equipment use that 2500 limit that's usually when something is eligible to be capitalized on the balance sheet

the sba essentially does not want these funds to be used to add assets to the business and once something is a capitalized asset it's on the balance sheet as an asset so ensure that you're avoiding those activities ensure that you're not acquiring these fixed assets and ensure that you're not refinancing long-term debts try to use that 2500 limit when you're looking to buy something new and try to just maintain your monthly payments as they are that being said you also have access to the eidl advance on your application

to the loan and if you've opted into it you've probably received an amount of up to ten thousand dollars of approximately one thousand dollars per employee this is so much more relaxed on the restrictions because it is a grant it's not a loan there is no liability and there's no real promise on your part that you're gonna use it for an intended purpose whereas when you signed the acceptance letter for the eidl loan you consented and verified that it was going to be used for the intended purposes

and you aren't going to be using it for any of those outlines in permissible expenses so the eidl advance has a lot less restrictions you're totally free to use it however you deem is best to sustain your business now the last question i want to address is something that you may be thinking okay so i know what i can't use my eid loans for but how am i supposed to track this how am i supposed to stay on top of this now a question that might be popping up for you now is okay so i know what i can and can't use my eidl for

but how am i supposed to track that how am i supposed to stay on top of that the best practice in any case whether it be a grant or a loan that has restricted usage is to have a dedicated bank account for those funds it could be a brand new bank account that you open solely for those funds or it could be a low activity bank account that just you're not using very frequently so you're not going to get any crossed wires or misusage that way if anybody is going to follow up with you and how you use the grant of

the loan in this case your eidl you're going to have a complete transaction history of everything that you used it on not to mention you're also going to be able to track the balance of the funds that you've been using in that bank account balance so ultimately this is going to make all of your activity everything that you've spent that loan for available on your bank statements and online via their portal so there you have it a very brief overview of what you can and can't use your eidl funds for

ensure you're being mindful and avoiding those impermissible uses as you did verify that you would not use the loan funds for those purposes and try to have some sort of system in place for tracking it whether it be putting in its own separate bank account or just tracking the separate transactions that are eligible uses of those funds just to make sure that you're tracking how much of it you've already spent anyways i hope that helps and i hope i get to see you again with another update that keeps you informed on how to use

these sba relief programs to the best of your ability beyond that please follow us on twitter we're at bench we're going to be posting any updates that we have there and subscribe to our youtube channel where we will be posting informative videos such as walkthroughs on applications and information like this as frequently as we can hope to see you again soon

1. How to Fill Out Your EIDL Application | Loan Application Walkthrough - YouTube

**URL**

<https://www.youtube.com/watch?v=4EVMhAZvRV0>

**Views and time:**

61,000 views / 48 months = 1,271 views per month

**Keywords:**

sba, eidl, economic injury disaster loan, eidl loan, ppp, paycheck protection program, small business, small business finances, small business loans, small business administration, eidl application.

**Transcript:**

hey what's up everybody it's breaded from bench back with another walkthrough video this time of the Eid el application now it just reopened on June 15th and with PPP applications closing for June 30th with many banks already closing their applications this is going to be that next relief fund that you can try and get access to it's gonna be really easy to find all you need to do is go into Google SBA idle application and we're looking for this link right here is gonna take us directly to the

application itself that's Co vid 19 relief dot sba.gov and it's gonna take you to the first page of the application so the first page of the application is simply to verify your eligibility for the loan program itself you must choose which one of these buckets you fall under and you're going to want to choose the one that is the best representation of your business so for instance applicant is a business with not more than 500 employees you're probably gonna select that however if you're a sole proprietorship

or an independent contractor you'll see applicant is an individual who operates under sole proprietorship with or without employees or as in an independent contractor below so ensure that you are viewing all of these options and choosing the one that is most applicable and appropriate for your business once you've done that you can proceed to that second box where you're gonna have to review all of these following conditions and certify that you meet them so this is a bit of a self review process you're gonna have to

check every single one of these boxes to be eligible if there's any one of these that you cannot check you are unfortunately ineligible for an eID alone so to go through these one by one applicant is not engaged in any illegal activity as defined by federal guidelines no principle of the applicant with a 50 percent or greater ownership interest is more than 60 days delinquent on child support app obligations the applicant does not present live performances of a prairie and sexual nature or derived directly or indirectly

more than de minimis gross revenue through the sale of products or services or the presentation of any depictions or displays of a prairie and sexual nature and the applicant not drive more than one-third of gross annual revenue from legal gambling activities the applicant is not in the business of lobbying and the applicant cannot be a state local or municipal government entity and cannot be a member of Congress these last two are very important if you do have any sort of political associations or if you were

involved in a political aspect of your business it's important to understand if your activity does follow does fall into that bucket of being considered lobbying you may want to check up on that but for myself I'm just a bookkeeper I'm a one-man show so I'm just gonna select sole proprietorship check off all these boxes because last I checked I'm a good law abiding citizen I believe and we're gonna move on to that next page the next page is step one of entering in all of the necessary information that they're

gonna need to verify your business verify the loan amount all of that step one is the business information the first bit of information you'll need is the business legal name this should be consistent with what is on your tax returns all of your federal tax forms all of that as well as any Articles of Incorporation the trade name is gonna be your DBA your doing business as it can be whatever is on your bank statement your checks your invoices if it does not match your legal name it's essential that you list it here and you will be

inputting one of either your employment employment identification number or your social security number as a sole proprietorship the organization type this is very important because again there is like some overlap in these different categories it's always best to look at your tax return to try and decide which one of these you do fall into if you do have any confusion on where you are here it's best to reach out to your CPA and just understand the differences of these different organization types if there is any

confusion as to which one you might fall into is the applicant a nonprofit organization this is very important because nonprofits actually get a lower interest rate on Eid Alone's if you are a business you're going to get an interest rate of 3.75 percent if you are a non-profit you get a interest rate of 2.

75 percent so ensure that if you're a non-profit you're checking that off and that your information is consistent on your application so you can actually get access to that lower interest rate is the applicant of franchise well obviously if you're a franchisee you are still eligible for an eID l but you will have to disclose that you are a franchisee these next two boxes I think is probably what's gonna provide people with the biggest headache which is determining their gross revenues and their cost of goods sold for the twelve months prior to the date

of the disaster which is January 31st 2020 now what does that actually mean for those numbers it means you're gonna be looking at the numbers from February 1st 2019 to January 31st 2020 the gross revenues is gonna be your sales before anything like processing fees or costs of input it's just that gross sales revenue number over that period of time cost of goods sold is gonna be any sort of direct inputs you have to that final product you're selling so the comparison that I always make is the cup of coffee

if you're making a cup of coffee cost of goods sold is gonna cover things like the beans the paper cup and the sleeve that protects people's hands all of those will fall under cost of goods sold they're essential products to providing that final product that you were providing to customers now if you're a bench Cline all of this information is very easy to find if you navigate to the report section and to the income statement you can select a custom date range which again is going to cover February 1st 2019 to January 31st 2020

and those numbers can be taken straight from your income statement in the sales revenue and cost a good sold section if you have any questions about that or if you're not a bench client it's best to reach out to your bookkeeper or to start investigating your bookkeeping solution to find those numbers these next boxes are not marked with the red asterisks because they do not need to be completed if they do not apply to you but of course be thorough read them over and ensure if they do pertain to your

business that you're filling them out so if you have any rental properties and lost rent due to the disaster fill out this box with an estimate of your loss friends if you're a non-profit or agricultural enterprise you're gonna have to fill out your cost of operation for the 12 months prior to the date of the disaster that's the same date range as February 1st to 2019 to January 31st 2020 and once again if you have any confusion or if there's any ambiguity into what falls into this category

consult with your bookkeeper and look into your bookkeeping solution to see if you con the answers their compensation from other sources received as a result of the disaster is going to be any sort of other relief funds or grants or programs you may have taken advantage of over this period of the disaster so for instance if you've received a private grant for $10,000 because you're part of the restaurant industry you're gonna want to include it there as well as a brief description of what it was where

you received it so ensure that you're listing the names of the grants as well as what it pertains to and if you received from multiple grants provide all of them here as well as that number in aggregate all of this information here is just gonna be the business information and it should be consistent across all of your applications across all of your forms so you can take it straight from another form that you may have filled out already but to review you're gonna need your primary business address which cannot be a PA box that's

gonna include the city the state the country county the zip number the business phone number that they can contact you at as well as an alternative business phone if you have a second number you would like them to contact you at the business email is going to be very important that's going to be where most of the correspondence is going to be run through including any contact that you might have regarding like a loan officer as well as a confirmation number for the application itself so choose a business email that you're

closely monitoring there the date that the business was established is going to be that date the forms were submitted and you were certified as a business whereas the current ownership is going to be the date that the equity structure as it stands today was finalized so if you brought on a new partner say last June that is going to be the date that you're going to be reporting is when they joint the operations finally we're gonna be looking at the business activity which for me I'm in finance I'm

in accounting or technically bookkeeping so I'm just gonna put those in there and the number of employees as of January 31st 2020 you're gonna have to report that and that number is going to dictate your idle advance grant so the advance grant is based on $1,000 per employee if you are proprietorship independent contractor or a self-employed you're gonna put zero down in this box that does not mean you're gonna get $0 on the advance grant you're still eligible for $1,000 on the advance grant all right so we've made it

to step to the second page of the application which is now business owners information and we're gonna have to complete this form for every applicable owner as you can see here that means for each proprietor for each limited partner or LLC member who owns 20% or more interest and each general partner or managing member or each stockholder or entity owning 20% or more voting stock in your business you will also have to list out if your business is owned by a separate business entity the information you'll have to provide is the same

across all owners that's going to be their full name in the first last name a mobile phone they could be contacted at their title which if it doesn't fall into any of these buckets you can just select other as well as their ownership percent it must be 20% or above if they're going to be included on here an email they can be contacted at there's social security number their birth date place of birth whether or not they are a US citizen and then finally the residential street address including

their city state and zip number again this we can be completed for each individual additional owner so complete this for any owner that has a 20% or more interest or voting in your company so we've made it to what's going to be the last page of additional information you're gonna have to fill out to finalize your Eid out I know there's probably gonna be this rush to try and complete this now that you've gone through all of that menial details of putting on all that specific information regarding your business and

ownership but again you're gonna have to be really thorough here and make sure that you understand what you are verifying on these pages all of these additional information questions up here pertain to eligibility as well and you're gonna have to be open and honest here in the past year has the business world listed owner been convicted of a felony committed during and in connection with a riot or civil disorder or other declared disaster or ever been engaged in the production or distribution and product or service that has been

determined to be obscene by a court of competent jurisdiction to the applicant or any listed owner currently suspended or debarred from contracting with the federal government or receiving federal grants for loans are you presently subject to an indict meant criminal information arraignment or other means by which formal criminal charges are brought in any jurisdiction or within the last five years for any felony have you ever been convicted pled guilty pled nolo contendere up and placed on pretrial diversion or have been placed

on any form of parole or probation including probation before judgment so ideally you would be reporting no to each of these fields but of course be honest a report yes if one of these does pertain to you and the loan officer will reach out requesting further information anyone assists you in completing this application that's regardless of whether you paid a fee for the service or not you must enter that person's information below so if you had a CPA a bookkeeper a consultant anybody help you fill out the

forms that has been responsible in verifying that information make sure that you are listing them down here below and that you're giving permission for the SBA to discuss any portion of this application with the representative listed above the reason why you're gonna have to be consenting to this is because they are going to be trying to verify some of this information if somebody else is responsible for providing the numbers and verifying the accuracy of those numbers that's the individual that

the SBA is going to want to talk to so I'm sure that you're talking to this representative and letting them know that the SBA may be reaching out to them regarding it think of it as very similar like a reference letter on your on a job application they're gonna want to reach out to that person and just verify that everything that was reported is correct then you'll also see here this is the check box that you would like to be considered for an advance of up to $10,000 this is the advance print this

does not need to be paid back it's a tax-free grant and as I mentioned before it's gonna be predicated on the number of employees you had as of January 31st 2020 it is checked off by default I did not check this box so if you've gone through the application already and you don't remember unchecking it there's a good chance that you've applied for it already however if you are unsure it is still best to reach the SBA to verify that information finally going to fill out the bank name account number and routing number for

where they can send the funds if approved and as of course one last final certification of this above information which is all in this crazy legal language but read through it make sure that you understand it before checking the box and verifying that that information is indeed correct and pertains to you and you understand what you're certified in which case it will then allow you to complete the application by taking you to the summary page to review all the information that you submitted for one less final time

before finalizing the application the last thing that I want to just cover here is in particular with this advanced grant you're not gonna really receive any information on whether you've received it or not it's just gonna show up in your bank account so keep an eye on your bank account to see if that advanced grant has been received in addition to that taking the advanced grant does not mean you have to accept the e IDL and it does not mean you will be accepted for an e idea you can receive the advanced grant without

receiving the e idea either by choice if you don't want to take on that loan you don't want to run the balance sheet or just because you are not eligible for the loan so still apply to the e idea because the possibility of receiving that grant that does not need to be paid back so of course if anything else comes up regarding Wenli funds if another relief program pops up and there's another application that you need to be walkthrough I will be right here along with you for the journey trying to provide you with as much information as

possible to keep you equipped I highly suggest you subscribe subscribe to our YouTube channel any updates that we have will be run through here as well but in addition to that follow us on Twitter that's where we provide our more instant up-to-date information if there's any news that we think is pertinent that you should understand I will definitely put it up there otherwise if there is any more relief programs I will see you right here thank you so much for joining me today and I'll see you next time

1. The Economic Injury Disaster Loan is Back. Here's Why You Should Apply Right Now - YouTube

**URL**

<https://www.youtube.com/watch?v=7P8dct3_Hcw>

**Views and time:**

**1,900 views / 48 months = 39.58 views per month**

**Keywords:** EIDL, SBA, economic injury disaster loan, small business administration, PPP, paycheck protection program, small business finances, small business, COVID-19, eidl grant, eidl grant application, eidl grant update, eidl update, eidl, stimulus check, ppp, ppp loan, ppp update, ppp round 2, new ppp loan, ppp loan update, ppp loan forgiveness, stimulus check update, covid 19, covid-19, coronavirus

**Transcript:**

hey what's up everybody its Brennan from bench back with another update video this time around the eid al loan program which it was unexpectedly reopened on june 15th by the sba to all eligible small businesses as you might have remembered the first time around that this program was open applications were so high in volume that they closed the program down so let's review the program requirements itself in the application so you know if you're eligible and you can get that application in as soon as

possible to review the eid al loan program was actually open prior to the pandemic itself not a program that was implemented because of it it was used to it's just any businesses that were in a period of a disaster affecting their business and their ability to operate with the pandemic itself it has opened up to all applicable states with every business being eligible to apply maximum loan amounts for the program were originally set at two million dollars however as corroborated by our clients and by some news outlets maximum loan

amounts will be limited to around a hundred and fifty thousand dollars this time around collateral is not required for loans that do not exceed two hundred thousand dollars so there's a very low chance that you'll have to actually provide any personal collateral for the loan itself the interest rate is going to be 3.

75 percent for businesses with a 2.75 percent interest rate for not-for-profits the loan term is going to be around fifteen to thirty years with payments deferred for twelve months now this is not a forgivable loan i've seen a little bit of misunderstanding here only the PPP is a forgivable loan the eid l will not being forgivable does have the advanced grant aspect to it which is a grant of around ten thousand dollars that does not need to be paid back now funds should be used for basic day-to-day operating expenses it is considered to be working capital

so rather than outlined some of the permissible uses of eid al funds i'd like to instead focus on what you can't use the funds for which would not fall into the terms and conditions anything that you've used at your PPP loan for you cannot use your Eid L loans funds for so for instance payroll if you're using your PPP for any rent utility is released senses that can't be covered by the Eid el disbursements to owners unless word performance of services will also not be covered so for instance if you're a

video editing company you typically have a contractor do some work for around $300 you're instead doing that work you can compensate yourself for that amount but you cannot take draws from the company the refinancing of previously outstanding debts is not permissible nor is the acquisition of fixed assets repair or replacement of physical damages or relocation expenses anything like a capital acquisition dividends and bonuses are also not a permissible of the Eid al fund so keep those in mind and avoid the use of loan funds for

those purposes now by far the best part of the Eid L is its ease of application it's all done in one singular place and SBA is processing all applications you don't need to actually find a lender that's going to be offering this service you can go straight to their disaster loan portal and get the application started right away everything will be done online you apply for the grant at the same time be mindful that when you're filling out that application you are checking the box to say you're interested in applying

for that grant as well there is unfortunately no way to apply for the grant separately if you've already been approved for or had your loan application considered you will need to provide a verification of Eid eligibility which is just verifying that you fall under the definition of being a small business as well as the fact that you are economically injured from the pandemic itself in terms of the numbers that you will have to provide gross revenues and cost of goods sold for February 2019 to January 2020 is what's going to be

required you'll be able to find that information on your income statement for bench clients you can customize your income statement to fall over that date range and get those amounts if you're having any questions about that reach out to your bookkeeper as they will be it equipped to help you I also want to mention the misconception that if you have a PPP you may not be eligible for the Eid L these two programs are still considered separate even though the fact that they were designed to be used together

now that the IDL is being rolled out a second time following the PPP you are allowed to use these two programs separately you just cannot use them to cover the same expenses the grant that you received for the Eid L if you do indeed receive one will still impact your forgiveness amount that you're eligible for your PPP loan it will be reduced by that full amount so if you received an idle grant of one thousand dollars you will now no longer be able to receive forgiveness under $1,000 portion of that PPP loan the last thing you really want

to cover is the requirements in terms of record-keeping and bookkeeping following receiving the Eid alone because they are gonna be some lofty standards here are the conditions for the Eid alone agreement that you should be aware of you're going to have to maintain current and proper records for the most recent five years until three years after your loan maturity or after the loan has been paid in full whichever comes first now keep in mind with the loan trim being up to thirty years that is a long period of

time records include financial and operating statements insurance policies tax returns and related filings records of earnings or dividends distributed and records of compensation to owners or shareholders you're also going to have to allow the SBA to inspect or audit all books or records allow the SBA to inspect or appraise any business assets provide financial statements to the SBA within three months of the end of your fiscal year pay for a review of financial statements by an independent public accountant if requested by the

SBA and allow all federal state and municipal governments to provide the SBA with relevant documents if requested by the SBA now how do you exactly go about that how do you maintain good records to ensure that you're going to be compliant and if these requests arise you can actually address them the importance is going to be in maintaining accurate and up-to-date books that will allow the SBA and of course yourself to get a clear look at the financial health of your business using financial documents and

it's going to start with the two building blocks of bookkeeping which is the balance sheet and the income statement you'll need to track and categorize all of your business expenses receipts and invoices should be digitally filed and recorded all of this is going to be a very big time investment but it's very useful for your business even beyond the ideal itself so consider the self as an implementation of not just the best practices for the Eid L but just best practices to improve overall business practices on mass an

additional note to that is that for SBA ready books you should have complete financials for the last five years of your business if applicable for the full five years a fully completed and accurate ledger of transactions list of accounts and income statement and balance sheet are all what's going to be required if you don't have this information available if you're not on a bookkeeping service this is where bench can help we do have a catch-up service that allows you to actually have your books for a period of time that you had

not been doing the record-keeping to be caught up and so you're up to date on your financial statements we also offer a free trial month where you can see what our service is like and how that's gonna actually apply to the idle application or how it's gonna apply to just good record-keeping practices if you've received your IO anyways that's everything that I have to cover on the subject today as always if there's gonna be any updates we will run them through our YouTube channel so please subscribe

as well as follow us on Twitter we are just at bench we managed to get that handle so we're very easy to find that's where we're going to provide our most up-to-date information on all of the relevant relief programs that are available to small businesses I suppose anything we just think is prudent for you to know and I'll be here next time for the next update I'll see you then

1. **The EIDL Advance Grant is Closed. What's Next? - YouTube**

**URL**

<https://www.youtube.com/watch?v=67i2wOPNtBE>

**Views and time:**

**960 views / 48 months = 20 views per month**

**Keywords:**

EIDL, PPP, Paycheck Protection Program, SBA, Small Business Administration, COVID-19, Coronavirus, small business, small business finances, HEALS Act, HEROES Act, CARES Act, Congress, Republicans, Democrats, Economic Injury Disaster Loan, stimulus,

**Transcript:**

they want itself everybody its Brendan back from bench with another update this time we're gonna be talking about the Eid L program and in particular the advance grant because as you may or may not have heard the grant is now closed on all future applications if you've put in your application previously before July 11th you may still be considered for the grant however all applications from the 11th onward will no longer have the option to check that box to apply for the grant when applying for the Eid

L loan so what exactly happened here well back in March when they passed the Kerr's Act originally they introduced the Paycheck protection program and they introduced this advance grant to the Eid L program that was already in place to review the Eid L program was actually put in place prior to the pandemic it was put in place by the SBA as a reaction to any sort of disaster that causes economic injury to an area hence the name ew l economic injury disaster loan the advance grant was part of the cares Act as an effort to try and get

businesses in up to $10,000 grant while their a IDL loan application is being processed such that they have working capital in their business to immediately address the needs that they have at that time rather than wait for a possible approval down the line the original program only had ten billion dollars put to it and it feels bizarre saying only 10 billion dollars but as we've seen now that didn't go so far not to mention the fact that they actually added an additional ten billion dollars to the program in late April when they reopened

up the Eid L loan applications to the agricultural industry prior to that it was actually closed already because of overwhelming demand that's a total of 20 billion dollars that was used up all over the course of late March to the present moment July 11th to be specific and up until July 11th over five million businesses received a disbursement from the program so what's next well the Eid L itself is still open you can still apply for an economic injury disaster loan through the SBA's website this is an up to two

million dollar loan although we've seen caps of a hundred and fifty thousand dollars for the pandemic it's at 3.75 percent interest rate for businesses and 2.75 percent for not-for-profits making it an extremely favorable loan not to mention the fact that it can be paid off over course of 15 to 30 years in addition to that you also have an option of changing the loan amount on the offer itself for something lesser if you don't want to take the entire loan for the balance that they're offering this means if your

business is in a position where you're capable of taking on a loan and not only that but you're willing to take on the loan the Eid L is still the best option on the market and should be pursued if you're planning on applying for the idea I highly suggest watching our walkthrough video where we go through the application line by line as well as the video that we have regarding what you can and can't use your Eid L funds on just to become familiarized with that I'm going to link both of those at the

end of this video and there you have it that's our update on the idle for today thank you so much for tuning in as always follow us on Twitter and subscribe to us on YouTube to get our content as quickly and immediately as possible we're going to be reporting on all the information that's important to you as a small business thanks for joining

1. I Have My PPP and EIDL Funds, Now What? | Everything You Need to Know - YouTube

**URL**

<https://www.youtube.com/watch?v=Fv4gYpZ6iKA>

**Views and time:**

**639 views / 48 months = 13.31 views per month**

**Keywords:**

EIDL, PPP, Paycheck Protection Program, SBA, Small Business Administration, COVID-19, Coronavirus, small business, small business finances, HEALS Act, HEROES Act, CARES Act, Congress, Republicans, Democrats, Economic Injury Disaster Loan, stimulus,

**Transcript:**

hey everyone its Brendan from bench back with another video today I wanted to be talking about what you can do next as in you've already received your Eid alone or maybe you received the PPP or maybe you were fortunate enough that you actually received both but of course now you have the funds and the question is what should you do with them to optimize the usage we started to look at this question ourselves and we have a couple of tips and tricks that might be useful to you to make sure that you're getting

the most of these loan funds and tracking them accurately the first thing I like to address is the benefits of making a game plan and setting some boundaries on these two different funds if you received one or both loans consider getting separate bank accounts or keeping the funds and separate low activity bank accounts to keep track with the use this is gonna provide multiple benefits for instance it's gonna give you a full record of all the activity on what you use the loan funds for it also lets you track the balance

of the loan funds that you haven't used through that bank account balance you should also take this opportunity to reacquaint yourself with the rules of the use around these two loans for instance the PPP can only be used for rent lease utilities and payroll which is including that owner compensation replacement if you're a self-employed individual the Eid L is meant to be working capital or you can consider it covering day-to-day operations it's more important to understand what you cannot use the Eid of funds for this is going

to include things like dividends and bonuses disbursements to owners if it's not related to the performance of a service repayment of stockholder or principal loans if those funds weren't added the company as a result of the disaster the expansion of facilities or acquisition of fixed assets repair or replacement of physical damages refinancing long-term debt paying down or paying off other loans provided by the SBA or other federal agencies the payment of a federal debt relocation penalty student non-compliance with laws

or regulations or contact or malfeasance which is the additional expenses due to contract or fraud again those are all uses of the funds that are not permissible now were you probably noticing is that the PvP is a lot more restrictive in how you can use the funds because that is the case and because you cannot use the e IDL funds for the same expenses as PPP funds it's best to use your PPP funds first also because of the fact that it needs using that 8 to 24 week period by defining what you're going to use your

PPP funds on first this will help you inform your decision of what you can and will spend your Eid al funds for the next step we would like to recommend is that both loans will benefit from diligent record tracking so get a record tracking system in place for the PPP the forgiveness application will be a breeze if you're on top of your receipts and statements for the Eid L you're required to collect and itemize all receipts and contracts for expenses paid with E I de L funds for at least three years after

you've spent them so consider starting up a Dropbox or a Google Drive or any other record-keeping system that you can immediately drop that statement that receipt that report whatever it may be directly in there so you're on top of it in addition to tracking receipts the Eid L requires that you keep financial records spanning the most recent five years up until three years after your loan is paid off which is a huge ask this is going to include financial and operating statements such as your bank statements balance sheets income

statements as well as tax returns records of distribution and dividends so regardless of what your approach is for bookkeeping ensure that you're being compliant and up to date with it to have those records readily available at any point in time so now that you've got a game plan in place and now that you've got your record tracking in place you might be identifying a little bit of leeway in your day-to-day operations where you can spend a little bit more money and hopefully get a bit of a return on it here's a couple of

suggested areas to consider if you have some wiggle room with your Eid L funds for the first is investing in business financials as I stated earlier it's gonna be a requirement for Eid L funds you're gonna have to keep stay on track of your records record-keeping is a huge focus for both of these programs preparing regular financial statements will help you stay on the top of your business it will help out your CDR account prepare accurate tax returns and it makes money managing easier going forward all of those are extra benefits

on top of what it's going to be providing you for that a IDL and the PPP another tip to keep in mind is to identify prudent areas of need and improvement in your business for when you've got that little bit of wiggle room with your Eid L funds form as mentioned earlier working capital is an extremely broad term so how can you get the best return on the use of those funds here for suggested areas that you should keep in mind on how you can use these funds to better your business the first is investing in business

financials record-keeping is a huge focus for both the e ideal and the PPP getting a leg up on this is going to be extremely beneficial for going forward with those 2 loan programs but in addition to that preparing regular financial statements will help you stay on top of your business it helps out your CPA or accountant prepare accurate tax returns making tax season an absolute breeze and then it makes managing money easier going forward you'll have more of a pulse on where you are with the business another thing to

keep in mind is investing in your digital presence with physical distance and measures and lockdowns this is going to mean moving to a more digital space of engagement set up a basic website and social media presence you can do that in less than a day and if you're already online consider launching a new marketing campaign or update your content to try to reinvigorate that interest in your business a third consideration your client relationships add a bit of a personal touch to your business implement a new system to

engage with your customers something you can stay in contact with them more freely and easily maybe consider sending them some thank-you cards for the patronage and support through the pandemic have something where you're engaging with them to get that business back at the forefront of their minds again and finally as much as you're probably sick of hearing about this new normal that I was talking so much about make sure that you're prepared for that as well valuate your workplace safety measures

and ensure you're doing what you can to keep both your customers and your employees safe communicate with your vendors your customers your clients and make sure the practices are being taken on all fronts to maintain safety if there's something that you've identified as a shortcoming invest in it it's worth it in the long run so now that you've considered these three things it's time for that final step it's time to set your plan in motion you've made your game plan you decide on

how to use these funds heck you've maybe even set up those two additional bank accounts to keep those funds separately and track them diligently we've also implemented a record-keeping system so you're staying on top of your receipts your statements your records all of that what you would need for forgivness application or an idle audit request and obviously you've decided what to do with the extra funds from day to day operations identifying the shortcomings of your business where you can improve

and what's going to give you the best return on the use of these funds for your business it's time to act on it and put it in motion and of course if you need a helping hand along the way bench is here for you we provide an excellent month month bookkeeping service that takes all of your business activity and reduces it to an income statement balance sheet as well as any additional insights we can provide given your activity this is going to help you stay on top of your Eid al funds it's going to help you stay

on top of your PPP funds and it's going to help you make informed business decisions at every step of the journey moving forward other than that that's been our update on the two relief programs from the SBA bei deal and the PPP and if there's anything else that we need to update you on keep your eyes peeled to this area and I'll see you next time

1. Six Tools to Help Protect Your Business During COVID-19 | Bench Accounting - YouTube

**URL**

<https://www.youtube.com/watch?v=p-xYge1F5Og>

**Views and time:**

**806 views / 48 months = 16.79 views per month**

**Keywords:** No keywords

**Transcript:**

hey everyone I'm Caitlin and I work on the business development team here at bench helping to manage some of the exciting partnerships that we have with some great like-minded organizations I wanted to share some initiatives and helpful tools that our partners have launched during the Cova 19 crisis to help their clients but before I do that here's what we've been up to at bench if you run a small business you've probably heard a lot about disaster relief loans and the Paycheck protection program

otherwise known as PPP the thing is it can be pretty overwhelming to know whether or not you can apply let alone how to get started that's why we've launched a free consultation service to help small business owners understand their financial relief options and the necessary steps to get approved for a loan things move really fast especially right now and there's a lot going on we want to keep as many small business owners informed as possible so we've developed blog posts and guides to help unpack the things that you need to know

about managing your business during this time while navigating the multiple funding options that are available to you you do get PPP funding we can deliver reports and details that you need to make applying for loan forgiveness fast and easy you haven't received funding we're still offering our core services like bookkeeping and financial reporting which can give you more time to focus on your business and help you better manage and understand your cash flow ok enough about bench now here are some things

that our partners in the tech space have been up to if you receive PPP funding you can get that loan forgiven but getting all the documents together for that application can be confusing and really complicated one of the biggest expenses that you can use the PvP towards is payroll and if you do you'll have to prove that you did indeed spend that money on payroll that's where gussto comes in they're here to help keep your payroll organized which will be especially helpful when applying for that loan forgiveness

Gusto's platform is incredibly streamlined and easy to use just like bench if you aren't augusto customer and that was a great time to sign up as they have temporarily reduced their pricing and are happy to offer you a free trial their services retaining clients and managing cash flow is always tricky but given the current situation this has been made all the more difficult our friends at square are supporting small businesses during this time with the creation of their give and get local.com website here customers can

support their favorite local businesses by purchasing a gift cards or ordering curbside pickup or delivery you might have noticed that your business has slowed down considerably you're not alone here recognizing that the folks at Shopify have created live workshops through their Shopify compass platform these workshops cover topics such as strategies for brick-and-mortar retailers SEO for beginners best practices for social media and many more these courses will help you get creative and potentially help you discover new

ways of making money finally our friends at fresh books have been improving the lives of small business owners for years with their easy-to-use invoicing platform and their I make a living program this program centers around creating a community for entrepreneurs and bringing them together for live networking events unfortunately all in-person events in the I make a living space have been cancelled this year but fresh books was able to quickly pivot they have moved the program completely online with an amazing

Facebook community an insightful podcast live webinars and even a virtual mentorship program which pairs entrepreneurs together to network trade business tips and just have fun I hope you're all staying safe and keeping healthy thanks for watching

1. The Easiest Way to Get Your PPP Loan Forgiven | PPP, Payroll, and Loan Forgiveness - YouTube

**URL**

<https://www.youtube.com/watch?v=5rsPHIlHYAA>

**Views and time:**

**71,000 views / 48 months = 1,479.17 views per month**

**Keywords:**

ppp, paycheck protection program, cares act, covid-19, small business, small business finances, eidl, sba, small business administration, loans, small business loans, government loans, coronavirus, stimulus package, loan forgiveness, ppp forgiveness, ppp loan forgiveness,

**Transcript:**

hi there my name is Brendan and I'm a member of the client relief team here at bench bookkeeping our team is currently working our way through every bit of government documentation news article and piece of information around federal relief funds they're available to small businesses to try and take all that information in all of its nuance and make it more easily digestible now one of the topics we've seen quite a bit of confusion and buzz around is this paycheck protection program loan and in particular the aspect of forgiveness

around it to review the Paycheck protection program are loans that are available through SBA backed lenders and they have that enticing promise that if you use the loan amount for certain outlined expenses in eight-week period following when the loan is disbursed which is just when I hits your bank account you no longer need to pay the balance you have no fees and you have no interest to worry about this effectively turns that loan amount into a tax-free grant which is incredible for your business however you're not guaranteed

forgiveness for the entirety of the loan there's going to be an application process where they evaluate how much you abided by the rules that were outlined in the application so let's take a look at some of those rules now to make sure that you understand them fully and you're operating within them to be eligible for the maximum amount of forgiveness on the loan the first rule that you should be aware of is the 7525 rule which states that you should spend at least 75% of the amount on payroll expenses with the remaining 25% used on

expenses such as rent lease utilities or the interest portion of a mortgage payment now this seems very straightforward but as always with legal language the devil is in the details and you should be aware of the details to ensure that you are operating within them first let's go over what exactly a payroll expense entails so you know what expenses you're eligible on we might think of payroll expense traditionally as just the salary and wages that we pay our employees but it goes beyond that because you're also eligible for

forgiveness on various types of paid leave this includes families sick and vacation and you're also eligible for forgiveness on group benefits this is gonna be anything that includes like health insurance programs dental insurance or pension contributions on the behalf of your employees these are all considered payroll expenses however I would like to clarify that independent contractors are not considered a payroll expense for the purpose of the PPP the only eligible expenses should pertain to employees that are full or part-time and

you are can federal unemployment tax payments on through IRS forms 941 or 944 now all eligible expenses should be run through your payroll provider and working with an easy and intuitive providers essential and understanding just how much you're spending on these payroll expenses for PPP forgiveness now you can take for instance our partner gussto we're currently working together with them to provide as much information on PPP forgiveness as possible and we're having a webinar together on May 14th

scheduled for 1:30 p.m. Pacific if you're watching this video after that date and time we're gonna link to a recording below in the description so now that we understand what a payroll expenses let's go into some of the more nuanced conditions that you should be aware of the first rule that you need to know is the maintenance of headcount because they want to ensure that you're not just spending as much wages as you have in the past but that you're actually doing it across the same amount

of employees and that eight-week period following the disbursement they're gonna look at the headcount in that and compare it to another previous period if you're a seasonal business they're gonna evaluate you on February 15th to June 30th 2019 as that is a comparable period for your business and what we're going through now however if you're not a seasonal business they're gonna evaluate you on January 1st to February 29th 2020 to understand this I'm gonna use some numbers here if in that eight-week

period you're currently running eight employees however from January 1st to February 29th of this year you were running ten employees your head count as effectively dropped 20% your eligibility for forgivness is gonna drop by that same proportion which is gonna be a 20% drop in your eligibility for forgiveness so if your loan amount was $10,000 you're now only eligible for forgiveness on 8,000 dollars of that amount other rule that you need to be aware of is pertaining to average wages because they're gonna be evaluating this on an

employee by employee basis which once again brings a lot of value from the more intricate reports that you have available through a payroll provider and the detailed information that you can get from a provider like gussto so since they're looking at each individual employee you're gonna have to be maintaining the wages across each individual employee and you have to be paying at least 75% of their average wages from that same period from the headcount I mentioned so let's take for example if an employee earned $4,000 on average in

a month in q1 2020 across this eight weeks you're gonna have to pay them around $6,000 which is 75% of that amount you have to be meeting that 75% to be ain't eligibility for forgiveness on the entirety of the loan amount anything that drops below that 75% you're gonna be impacted in that forgiveness by that same amount so for that employee if in the first month as I mentioned before you had to be paying them at least $3,000 in a month if you paid them 2,000 your eligibility for forgiveness is gonna drop by 1,000 this

requires a much more in-depth look at your payroll reports to understand beyond a cursory overview because you need to understand your payroll on an employee by employee basis now this is where a strong payroll provider like gussto provides its value but they've even gone above and beyond by offering a paycheck protection program forgiveness report this breaks down all this information into an incredibly simple package the first page that you can download through gussto is going to have all of this information summarized

and show your reduction amount based on with the information that has available to you as mentioned a link will be below in the description if you want to try gussto for free for 3 months but for now let's just review what this document actually provides you so the first thing I want to mention is that you should run this report every single time you run payroll so it is working off the most up-to-date information and working off with the most up-to-date information in particular in that 8 weeks period this

is gonna update all of the information and it's running off of update the numbers and provide you with the most up-to-date reduction and your forgiveness such that you can actually correct it in the following weeks all the complicated calculations that I went over before have now been simplified into this package so you get all that information the first page but of course having information and understanding it are two completely different things so Gus it was going to provide a breakdown to where those numbers came

from in the following pages with descriptions of the variables that they're looking at and how they pertain to the equation so you can actually correct your activity and make sure you're maintaining that maximum eligibility for forgiveness one of the most important pages is a breakdown on a per employee basis so you know what that average wage amount you're being evaluated on is as well as how close you aren't maintaining it in that eight-week period do you've likely already entered one headache from applying to the PPP

because they were asking for that average monthly payroll expense number and not everybody knew exactly how to calculate it a lot of payroll providers stepped up and offered one of these packages for the application itself they gave you that number based off of your historical data now Augusta was doing that again in applying for PPP forgiveness which is guaranteed to be another etic in itself in simplifying this and taking all this complex information just giving you an answer at the end of it all now one of the biggest

takeaways I've had from my experience in working with the client relief team is the value of clear reporting not just for unexpected events but to understand the aspects of your business completely if not for preparedness it's worth getting you set up on a strong payroll provider for future facing decision making so you're keeping yourself informed in another complicated aspect of your business but in a very simplified way once again bench and Gus are here to help in tandem to provide the full picture of forgiveness gus was

going to provide you information on that seventy-five percent that's payroll expenses and we're here to provide you with information on the rest on that remaining 25 percent we're going to be here to help you identify forgivable expenses as well as the documentation that you will require once it comes to the time to actually apply and once again we're going to be reviewing a lot of this information on our webinar which is occurring on May 14th scheduled for 1:30 p.m. Pacific so working with these

services together you are gonna get the full picture of your business and it's gonna take you from understanding your business from a net profit number to understanding it in all of its nuances what expenses are you spending your money on where can you save money on payroll where can you improve your experiences and other aspects of your business and it's not just an opportunity to master PPP forgiveness but it's an opportunity to master your business as a whole especially pertaining to that financial aspects we hope to be there

for that journey moving forward but for now we're here to help you with PPP and forgiveness so we hope to hear from you and work with you thank you

1. Answered: Your PPP Loan Forgiveness Questions | Bench Accounting - YouTube

**URL**

<https://www.youtube.com/watch?v=y5QAebmeP-w>

**Views and time:**

**3,700 views / 48 months = 77.08 views per month**

**Keywords:**

**Transcript:**

okay hi folks my name's oscar i'm from bench accounting and this is another video about ppp forgiveness now we've done a few on this topic over the last sort of week or so um around sort of the rules of rehiring employees the general terms of forgiveness what that looks like for people who are self-employed easy things you can do to get your loans forgiven and you've all had a lot of good questions and we've been working through the questions in the sort of comments below the videos but i thought it would be a

good idea just to kind of put out a quick video running through a few um good questions that i've pulled out from a lot of the comments sections and hopefully clearing up a few kind of key areas when it comes to the forgiveness of ppp loans so let's dive right into it i've got them i've got a few of them up here now this first question is can my boss add an additional amount of money weekly with wages and then get that forgiven as part of his ppp loan so this has come up a few times and certainly from our own clients and

also sort of in in the webinars and videos that we've done is what about things like hazard pay bonuses any additional money that i want to pay employees that as they're working through through this kind of through this period now whilst it's a a very admirable thing to be doing particularly things like bonuses and hazard pay we think they're great ideas when we're looking at the ppp itself now it's it's it's quite clear in the fact that the purpose of the loan is designed to kind of maintain

salaries and pay rates as as they were before the pandemic and in intended to keep that average payroll cost so at the moment we see nothing to indicate that any additional funds over that average are going to be eligible for forgiveness we think that the forgiveness will just cover up to the point that's the same pay level before the pandemic so kind of pre-february the 15th 2020.

um so any additional funds that you want to pay employees whilst you think it's a great idea and you know we encourage it in the right circumstances don't necessarily think it's going to be eligible for forgiveness next question is to do with when does the forgiveness period start so that eight weeks of the loan that we've been talking about in all these videos is it from when i applied for the loan or when i got approved for the loan or is it when i actually received the funds and this the answer is clear it's from

when those funds hit your bank account so the actual disbursement of the loan itself that's what kind of sets the clock running on on the eight week period so that's when all your expenses on in that eight week period those are the ones that are going to qualify for forgiveness um the next question is to do with folks who are self-employed and and actually to do with the owner compen the owner compensation replacement scheme so just to kind of reiterate what that what that is as a self-employed person if you've

applied for the ppp you can actually automatically have eight weeks worth of your 2019 net profit automatically forgiven and all you need to do is just to be able to show that figure on your 2019 tax return even if it's not filed just prepared tax return that that that line 31 on the schedule c um and you can qualify for this owner compensation replacement now this question is if i'm able to get back to work in the coming weeks and so i actually um have income over those sort of eight week period do i lose the ability to have this ppp

forgiven as i will actually be generating income again and and to that node the answer is no it's not going to affect your eligibility at all so just because you are earning money aside from the ppp you can still have that amount that you've applied for and you can still have um eight weeks worth of your 2019 net profit automatically forgiven so it won't be affected by your current the current status of your business and whether or not you're generating revenue the next question that um i'm going to go over is just to

do with employees and their and their working status now this person that's asked this question has 11 employees however the 11th one is currently stuck overseas and has not been receiving pay since february now he's still not back and i don't expect him to be back by the next 60 days which you know given a lot of borders are closed isn't surprising do i still have to show him getting paid to be eligible for hitting a 100 employee rate to get the maximum forgiveness now again here are sort of guidance is fairly clear you don't

have to have that employee actually in work doing a job in order to have them on payroll again the idea of the of the ppp is just to kind of protect those payrolls um to put money in people's pockets so even if they're stuck overseas and actually come and can't do the job that you're paying them for the best idea is to still put them on payroll still pay them still show that you're transferring money into the bank account um and then you'll stand the best chance of actually qualifying for full forgiveness okay

then next question do you recommend opening a separate new bank account and transfer the loan there with the bank that helped you get the loan so it's easier to show proof of expenses on it yes that is a cracking idea that's an excellent question we strongly recommend opening a new bank account it makes everything to do with tracking your expenses knowing where the money went being able to document the expenses the whole bookkeeping surrounding it makes it a whole lot easier so we definitely think that's a good idea if

you can do it without too much hassle next question this has come up a bunch um i've certainly had a few people ask this in a few different places is can the ppp loan retroactively cover back pay and people have asked this in a variety of questions you know can i use ppp funds to pay rent or lease agreements that arose in february or march for example at the moment no the guidance we expect to kind of change in the um in the coming days you know i'm giving you these answers on today the thursday the 14th of may and but we

expect you know imminent updates on on the subject of forgiveness so here's a a great opportunity for me to plug the blog so forward www.bench.com blog if anything's updated we're going to be constantly updating the articles that we've got on there um we'll we'll give you links in the description below to all the relevant articles so do check that out but going back to the subject of can the loan cover back pay at the moment no um at the moment it's designed to just cover expenses that arise

in the eight week period and that are paid in that eight week period so um but obviously if that changes we will let you know the next question again another brilliant question is to do with the eight-week owner compensation replacement scheme for self-employed people in the ppp now if you actually do the maths sorry the math and you um work out eight weeks of your 2019 net income multiply that um well sorry you work out your weekly amount you multiply that by eight if you've applied for the maximum amount

as a as a um self-employed person through the ppp you may find that that eight weeks worth of payroll or of owner compensation replacement actually comes out to 74 of the total of the loan now we've spoken in the past about how you need to use at least 75 of the loan um on payroll costs and then the remainder for the sort of other approved expenses people ask this question great question it's not explicitly said anywhere however what is explicitly said is that calculation for the owner compensation replacement we know it's eight weeks

worth of 2019 net income so just because that causes a slight conflict of a one percentage point we don't expect that to be an issue and the other thing that i would say having looked through the guidance that's come out of the treasury having looked through the the act itself the cares act a lot of the language around um uh around the amount is actually slightly more approximate the treasury have come out and say that we think you know it'll be roughly eight weeks worth of salary so that's sort of 74

percent being so close to 75 cut off that's actually on the ppp application itself as one of the attestations we don't think it's going to be an issue obviously if we get any more clarification we will certainly update the blog obviously again the next question is my business is an escort my salary is over 10 000 monthly um does the owner wages or do the owner wages included are they included in the 75 and what's the maximum i can pay myself um in those eight weeks answer this question is so long as your salary is

recorded through the payroll through your payroll that's eligible to be included in the 75 so as the owner of an s corp owner draws or um or the net income calculation that we've been doing for other sort of self-employed people that doesn't count towards ppp calculations so it's only it's only money you're earning through payroll so salaried earnings and this is capped at a hundred thousand um for the year so the total per month you're eligible for is is that eight three three three point

three three recurring because of the cap so in terms of what qualifies as forgiveness what you do is you you um you divide that 100 000 by 52 to get to a weekly amount you multiply that by 8 and the number that you get to is fifteen three eight four point six four so fifteen thousand three hundred eighty four dollars that's the amount that you um automatically have forgiven in that situation okay then um this is an interesting question about um about rehiring employees now we touch on this in another video but

um the rules around rehiring employees and head count obviously you need to maintain the same level as head count um pre-pandemics so for a lot of people they're gonna be looking at either the period of february 15th to june the 30th of of last year 2019 or they're going to be looking at sorry january the 1st to february 29th of this year looking at your headcount numbers in either of those two periods and um you're going to want to maintain that level of headcount in order to qualify for forgiveness now if some people have been

laid off and they're on an unemployment and they don't want to come back to work and you've offered that um as long as you've got proof of their rejection of your um letter of employment or offer employment you won't have your forgiveness affected that's been set out in treasury guidance now the question here is does this need to be a physical letter and physical signature or is email response is that okay to count as legal legal documentation and here an email is absolutely fine as long as

you've got it recorded no problem at all so the next one do they look at payroll costs per employee before or after tax deductions um and this is a pretty simple answer so they're looking at pre-tax so pre-any withholding tax deductions anything like that so we're looking actually gross payroll costs per employee and the last question here's a good one which is oh my god i miscalculated and i used my gross income instead of my net income from my schedule c what do i do now now we don't think

you're the only person that that did this but if you if you believe your ppp loan amount is incorrect and you figure that out we strongly recommend getting in touch with your lender as soon as possible um being super clear making sure you document those communications your lender make sure you showed that you do you did everything in your power to kind of flag this mistake it was an honest mistake um and and work with them there we do actually have a blog blog article on the subject we'll link it below it's it's actually called what

what it's all about um what to do when you get the wrong amount on the ppp great that's that's a a bunch of great questions that have been asked through the course of these forgiveness videos if you have any more if there's something i didn't cover feel free to stick in the comments below we will do our best to get back to you with answers as soon as possible and just one kind of final caveat to all these answers is they are correct as of today which is thursday the 14th of may we are expecting imminent

guidance out on on on forgiveness more generally of course we'll be doing more videos with any key findings that we have from that we'll constantly keep you guys updated and again my final shout out to the blog to check it out as all the up-to-date information is there and do subscribe if you want um any of those updates that'll be coming out in the next few weeks as we get more information but for now thanks very much for watching

1. PPP Forgiveness Update: Form 3508 and 3508EZ | Everything You Need to Know - YouTube

**URL**

<https://www.youtube.com/watch?v=J4ea2YduPJo>

**Views and time:**

53,000 views / 48 months = 1,104 views per month

**Keywords:**

PPP, paycheck protection program, PPP forgiveness, SBA Form 3508, Form 3508EZ, Small Business Administration, COVID-19, small business, small business finances, EIDL, self-employed, ppp loan, new ppp loan, ppp loan update, ppp loan forgiveness, ppp update, ppp 2, eidl update, eidl, eidl grant, eidl grant update, ppp round 2, ppp round 2 self employed, ppp round 2 application, paycheck protection program application, paycheck protection program loan, ppp, sba ppp loan, sba ppp,

**Transcript:**

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1. Do Owner Draws Count as Salary for the Paycheck Protection Program? - YouTube

**URL**

<https://www.youtube.com/watch?v=12yfPLEVKDE>

**Views and time:**

17,000 views / 48 months = 354.17 views per month

**Keywords:**

paycheck protection program, ppp, ppp loans, owner draws, owner salary, small business, small business finances, covid-19, coronavirus, cares act,

**Transcript:**

okay hi everyone its Oscar here from bench accounting and in this video I'm going to answer the question of whether or not owner draws count as part of average monthly payroll costs calculations for the paycheck protection program now to give you a bit of context here at bench accounting we work with roughly 8,000 small businesses to do their bookkeeping and I would say through this whole process with the PPP this has been one of the the most frequently asked questions from our clients is when I'm figuring out how

much I kind of what my payroll costs were for 2019 my main source of income was through sort of informal draws in the business as I was a sort prop or I own an LLC and I just take money out of the business now people want rightly you should be thinking you know can I include that as part of my average monthly payroll cost and the simple answer is no you cannot and I'll go into the reason why now if you if you have a sole proprietorship and you're taking money out of the business it's important to recognize that any of these drawers

you're not paying self-employment taxes on and this is what the SBA will be looking at when they're assessing how much you're eligible to receive under the program is what money are you paying tax on now for a sole proprietorship this is the net profits of the business as its reported on the Schedule C of your personal tax return so this is the line that you should be using so that line 31 on your Schedule C to work out what your payroll costs figure was for 2019 you take that net profit and it's

remember it's gotta be capped at a hundred thousand divide that by 12 to reach the average monthly figure and then multiply by 2.5 to work out what's the maximum amount that you can borrow important to note here is that if you have a sole proprietorship and you've got a couple of employees that you're paying their ww2 employees you're paying them you're paying them a salary you can lump those all in whit along with that net it figure now remember the salary for each of those employees again is capped

at a hundred thousand but it can be all added together to work out how much to borrow and just not those member draws another point on this is that if you are let's say you're one of the managing members of a multi-member LLC and that net profit line you don't use the whole thing but you use whatever the percentage ownership of the business that you have you apply that percentage so the net profit line and then you use that to figure out the average monthly amount that you can that you can use for

your calculations so that is sort of soul props owners of LLC's that sort of thing it's that net profit line that you're using and again not member draws now that sort of whole point of not member draws that also applies if you your businesses or corporation so C Corp or an S Corp let's say you're taking set holder distributions as in the owner of an S Corp again those don't those don't counts nor do loans to shareholders if you own a c-corporation none of those counts now if you are in this sort of

bracket that you own a corporation again what I'm saying here is that it's anything that's being paid through payroll is what that you is what you can apply for my comment about the net profit line as it relates to LLC's or Saab prior ships that is not the same for corporations and to explain why it's again just to do with with how the taxation works here business profits are taxed separately to to to personal taxes like so there's none of this there's none of the passing those business

profits through to the personal tax return so net profit does not count towards calculations for a corporation for a corporation that's just anything that's going through payroll any of those salaries as long as they're going through as long as the essentially you're paying your remitting payroll taxes it doesn't necessarily have to be done through a payroll provider you can be doing it informally or through a CPA as long as you're omitting payroll taxes that's what you can include in those

average monthly payroll costs calculations including yourself you should be paying yourself through payroll if you're not and again go to taking draws unfortunately that doesn't count for the purposes of the PPP so that's a kind of brief description of this subject if you wanted to know a bit more detail into into our thinking behind this and do have a look at our blog so www bench Co Ford slash blog we'll put a link to the article about owner drawers in the description below but that's all for me for now do

subscribe if you want to see more videos on this subject but thanks very much for watching and very good luck with your application

1. Biden's PPP Loan Updates | PPP Application Exclusivity & Eligibility Changes - YouTube

**URL**

<https://www.youtube.com/watch?v=cM-A2zWs874>

**Views and time:**

**1 2,000 views / 36 months = 333 views per month**

**Keywords:** Paycheck Protection Program, Paycheck Protection Program Loan Amount, Seasonal businesses, Bench, Bench Accounting, PPP Loan, PPP, Partnership, Loan Forgiveness, Biden&#39;s PPP Loan, PPP Loan Forgiveness, forgiveness applications, PPP forgiveness, paycheck protection program, COVID-19, small business, EIDL, new ppp loan, ppp loan update, ppp update, ppp 2, ppp round 2 application, paycheck protection program application, paycheck protection program loan

**Transcript:**

hi everyone my name is declan and i'm a financial relief specialist here at bench accounting in this video i'll be going over some of the changes to the paycheck protection program that were announced by president biden on the morning of february 22nd 2021 now keep in mind these changes are going to be coming into effect over the next few weeks as the sba releases new sets of interim final rules these will clarify the specifics on how these changes are actually going to be implemented so keep an eye on our disaster relief

portal for any updates let's jump right into the first major change the introduction of a 14 day exclusivity window from february 24th to march 9th for businesses and nonprofits with less than 20 employees now the idea of this is that it should give those smaller businesses the opportunity to receive ppp funds before they're all exhausted by large companies now keep in mind that the march 31st deadline is still approaching so even with this change it is important that you get your ppp application as soon as possible the second major

change is the elimination of two restrictions that prevented small business owners who were either delinquent on their federal student loans or have non-fraud related felony charges within the previous year from obtaining relief through the ppp this means that if you were previously deemed ineligible due to either of those reasons you may now be eligible the third major change is to how loan amounts are calculated for sole proprietors independent contractors and self-employed individuals previously these businesses would use

their net income as reported on line 31 of their schedule c to determine their loan amount this has now been changed to their gross income now this will likely be reflected uh through line one of your schedule c however the sba has not confirmed this so as i said before keep an eye on our disaster relief portal for any updates that come up it's also important to keep in mind that this change is not retroactive so if you've previously received a ppp loan you unfortunately will not be able to apply for the difference and we're also not

100 sure how this will affect sole prop's ability to claim their entire loan as owners compensation replacement but we will let you know if there's any updates on that the final major change is allowing non-citizen small business owners who are lawful u.s residents so these are visa and green card holders can now apply using their individual taxpayer identification number now previously the sba has been unclear as to the status of those with an itin so they will be addressing this by issuing new guidance in the coming days

that affirms that otherwise eligible applicants cannot be denied access to the ppp just because they use itins to pay their taxes now keep in mind these changes were just announced so details are a little foggy keep an eye on benches financial relief dashboard for further updates in the coming weeks thank you

1. Reopening of the Paycheck Protection Program - YouTube

**URL**

<https://www.youtube.com/watch?v=dgUXBeyQ9cQ>

**Views and time:**

**550 views / 36 months = 15.28 views per month**

**Keywords:**

Paycheck Protection Program, Paycheck Protection Program Loan Amount, S corp, C corp, Seasonal businesses, Bench, Bench Accounting, PPP Loan, PPP, Partnership, Loan Forgiveness, PPP Loan Forgiveness, Seasonal Business, forgiveness applications, PPP forgiveness, COVID-19, small business, new ppp loan, ppp loan update, ppp update, ppp 2, ppp round 2, ppp round 2 self employed, ppp round 2 application, paycheck protection program application, paycheck protection program loan,

**Transcript:**

okay hello everybody and welcome to uh bench accounting's first ever live stream uh my name is bet and i am a client relief specialist here at bench accounting uh and today we're going to be discussing all about the reopening of the paycheck protection program and some specific details about how first time and second time borrowers are going to apply for this program before we dive into the actual presentation i just want to go over a few administration administrative details for you guys so that a reminder that all this

information presented in today's webinar is subject to change so the information we present is our best interpretation of the quickly evolving um financial relief landscape and we do update um our resources as we learn more i really encourage you to find us on facebook we have a page called ppp and financial relief hub powered by bench where you can ask your questions there and then someone like myself can answer it for you awesome okay this screen here is just to show you guys what the current funding landscape is looking right

looking like right now so on the left-hand side here is the government funding which is kind of uh what we usually focus here on at bench so right now applications for the eidl are open and the eidl grant has returned however it appears that applications for that grant are not open at this time unfortunately ppp forgiveness applications are also open for most borrowers uh finally pvp applications for first for both first time and second time applicants are now open and this of course is going to be our focus for

today over here on the right hand side i just want to remind you guys that private funding options do exist of course this isn't typically our focus um but also if you'd like us to um ask some cursory questions about any options that you're interested please go ahead and do that as well awesome next i want to do a quick review of what is the ppp just to make sure that we're all on the same page here on what this program is all about so the paycheck protection program is a loan program that originated from the

coronavirus aid relief and economic security so most of you probably noticed as the cares act that was introduced away at the beginning of the coronavirus pandemic so the purpose of the pvp is to help support small businesses through the cobin 19 pandemic and protect paychecks all at the same time pvp loans are packed are backed by the small business administration but are actually distributed through participating ppp lenders and that's who you actually need to apply with if used properly the ppp can be 100

forgiven um as a reminder this forgiveness is not automatic alternatively you actually have to submit a ppp forgiveness application through your specific pp lender to get that loan for git in the event that you do not get this loan for given or it's only partially forgiven uh you have you'll have to pay it back at one percent interest back again to that same ppp lender by either two or five years depending on what your loan agreement says awesome so next i want to go over some eligibility requirements so this is specifically for those who

are looking to apply for their very first ppp loan so if you missed out on the pvp funding the first time around you will now get a chance to apply the eligibility requirements to receive your first ppp loan have remained the same since funding was last open and most small businesses with less than 500 employees will be able to apply just a couple notes here that unfortunately it appears that businesses will still not be eligible for the ppp if they're either a corporation that doesn't run any sort of payroll

at all or a sole proprietor or partnership that has a negative net profit additionally we've also seen that most passive income companies are unfortunately not eligible for this program as well now let's talk a little bit about how you are going to apply uh if you are a first-time applicant so for first time ppp borrowers we recommend trying to apply through a lender you have an existing relationship with a fintech lender and a local bank applying through multiple lenders will likely increase your chance of receiving

funding if you are a corporation you'll be applying for the ppp using payroll reports and payroll tax forms such as irs form 941 alternatively if you are a sole proprietor partnership or independent contractor you'll actually be using either your schedule c schedule k1 or 1099 misc forms respectively to apply the maximum ppp amount that most borrowers can receive is two and a half times your average monthly payroll or again average monthly self-employment earnings um just a quick note there the reason why i'm saying most borrowers

is actually because those in the food and accommodation business are going to be able to receive up to three and a half times those amount this round um also a really important note here for this new round of funding uh the new guidance has told us that you are now able to apply with either 2019 or 2020 numbers it appears that this option is going to be up to your discretion uh whatever works best for you awesome now so that was all about first-time applicants now i want to talk a little bit about eligibility for those

who are applying for their second ppp loan so to receive a second ppp loan you will need to have less than 300 employees so they've lowered that a little bit and you must be able to prove at least a 25 drop in gross receipts from a quarter in 2019 to that same quarter in 2020 let's make that super super clear uh if you're comparing quarter three in 2019 you also have to select quarter three in 2020 to make that comparison um so borrowers were applying for a loan that's going to be greater than 150 000

you're going to provide that documentation and prove this 25 drop on your actual application so you will need to provide be prepared to provide that documentation up front however if you're actually applying for a loan that's less than 150 000 uh we have learned from the sba that you may be able you may be required to supply those numbers however you shouldn't have to supply that documentation right away um instead you will have to supply supporting documents either at the time of your forgiveness application

but perhaps sooner than that again a couple important notes here uh you will need to have spent the entirety of your first ppp loan or uh you're going to be spending that before you were able to receive your second ppp loan another one here is that you are not required to actually have applied for forgiveness for your first ppp loan before you receive that second pd loan which can be a lot of helpful for some of you that are still tied up in that forgiveness process awesome so we have a lot of people asking us what is gross receipts mean

so of course the best source here is to look exactly what the sba defines us as so from the sba receipts means all revenue in whatever form received or accrued from whatever source including from the sales of products or services interest dividends rents royalties fees or commissions reduced by returns and allowances and where exactly you can find these numbers uh is two different spaces so if you're going to look at uh it more annually which should be an option on your application uh instead of looking quarterly you can

look at two comparative annual years so 2019 2020 to see if you have an overall 25 reduction in gross receipts that should be able uh to be sufficient to to show that qualification so you can use your tax return to do that um however if you'd elect to use the quarterly method then you will use um income statements um to show that reduction this is something that we're able to provide our clients with uh next let's talk a little bit about the actual documentation it that is needed to prove that 25 reduction in gross receipts

so again if you're doing the annual method uh if you're comparing grocery sheets in 2020 versus 2019 to show that 25 uh reduction you can use your tax tax return as documentation um this tax return does not need to be filed but it will need to be complete and accurate again if you're using that gross uh quarterly uh option instead um comparing a 20 20 quarter versus a 2019 quarter you will need to provide financial statements for those quarters an income statement should be sufficient which is also well known as a profit and

loss again as this is a pretty important note if the ppp is less than 150 000 you will not need to supply this documentation upfront but you do need to have it prepared for later on awesome now let's touch briefly on giving you some direction on how to apply if you're applying for that again second uh ppp loan so just as you applied for your first ppp loan you will be applying through one of those participating ppp lenders so not the sba again the specific lender for your second ppp loan we highly recommend that you apply

uh for the program um through the same ppp lender you received your first phone from um the reason for this being this may allow you to have a faster smoother pvp application process because they have a lot of your information on file already again for this second round again most businesses the maximum you will be able to receive is going to be two and a half times your average monthly payroll or average monthly self-employment earnings um again if you are in the food and accommodation uh business instead this is going to be

three and a half times instead um also for the second time uh ppp loan you will also be able to use either 2019 or 2020 numbers and that's going to be up to your discretion um so we actually do if you're looking for more of a step to step guide on how to fill out this application we do have a really great bench blog article that goes through this so i would recommend checking that out and that website there is just bench dot co slash blog awesome so of course the biggest question we always get is can i apply

for the pvp now and the answer is finally yes so the sba is now accepting applicants from all vendors uh there's a quick note on this even though the sba has opened up his application it does not necessarily mean that all vendors have opened up their online portals we do recommend that you you try to apply as soon as you can uh to again increase your chances of receiving funding in a previous round we did see funding run out fairly quickly um we're not sure what how fast it's going gonna go this time but again just to play it safe

it's good to uh submit that application as soon as you can uh now that we've kind of gone over um some specif specifications on how you're going to apply when i discuss some of the rules that have changed recently of the actual program itself and these are for both first pvps and second pvps so um kind of already touched that you're able to use 2019 or 2020 numbers a couple times and another big one is that eligible pvp expenses uh will be expanded so originally it was just payroll rent utilities and mortgage interest

that you were able to use your pp funding on but now there's this new list of additional expenses so first is operations expenditures so that's software cloud computing or other human resources and accounting needs and this includes a service like bench second here is property damage costs so specifically these are related to public disturbances in 2020 that were not covered by insurance or other compensation thirdly here is supplier costs so purchase orders or orders of goods made prior to receiving a ppp loan

essential to your operations will be eligible and finally is worker protection expenditures so personal protection equipment or property improvements to remain cobia compliant from the date of march 1st 2020 onwards will also be an eligible use some more changes here is that we're seeing a changes in how the covered period works so previously uh when the program first came out you were only able to use an eight-week period and then they changed that to a 24-week week period and now they're changes again

um you can choose an eight-week period a 24-week period or actually anywhere in between and just a reminder of how the covered period works um you have to spend all of your ppp within that time period for it to be eligible to claim for forgiveness um another rule change change we've seen but not really we haven't received a ton of information on how this is being implemented yet however we do know eventually that some ppp borrowers will be able to apply to increase their first pvp loan amount uh from my understanding this is largely

for those who missed out on some of their fundings they did not receive their full eligible amount they're going to be able to go back and apply for that additional amount another important one is that the eidl advance will no longer reduce your ppp forgiveness amount so previously when people were applying for pvp forgiveness they had to claim if they received an e-ideal advance and that would reduce their forgiveness potential and they would have to pay that back the sba has changed this both retroactively and going forward as well

um next is that also there's been a simplified forgiveness form introduced for loans under 150 000 to make that process a little bit easier and finally ppp expenses are now tax deductible uh so this is of course a huge change for your tax return so whether or not your pvp has been forgiven or not all these expenses are now going to be eligible for you to claim tax deductions on now that we've kind of discussed everything that's changing i kind of want to give you guys a quick reminder of some of the basic ppp rules are going

to that are gonna be staying the same um that are really good for you guys to be aware of so firstly sixty percent of the pvp will still need to be spent on payroll uh and the remainder on the now expanded list of eligible expenses that we discussed earlier and again all eligible expenses must either be paid for or incurred incurred pardon me during that covered period you also need to uphold full-time equivalent and salary requirements in order to receive forgiveness on your loan uh the one kind of caveat of this is

that if you're uh if you have a loan that's under fifty thousand dollars and you're using ppp forgiveness form 3508 s um any reductions that you make uh for full-time equivalent employees or salaries uh will actually not have an impact on your forgiveness potential uh next if you uh if you do not receive forgiveness for your ppp loan um it is really good to remember that you will need to pay this back at one percent interest uh in either two or five years depending on what your loan agreement says uh and finally to be eligible your

business still has to have been established before the date of february 15 2020 and also the um expenses that you use this program on also need to have been in place before that date awesome so that kind of ends our formal presentation today for you guys um however i just want to touch quickly on our lending partner blue vine so our partner blue vine is ready to support your business with funding through the paycheck protection program bluevine has an a plus rating on the bes better business bureau and has delivered over nine billion in

funds for this program uh with blue vine businesses can apply online and see if they qualify in literally minutes bluevine provides a fast online application for the ppp for both first-time applicants and second draw applicants even if you've previously received a pvp loan elsewhere if you are a second time pvp borrower we still recommend that you apply through the same lender that serviced your first ppp loan however making an additional application through a lender such as bluevine is also a really good idea again just to maximize your chances

of receiving funding and just a really quick update here uh under get started um bluevine is now actively accepting these applications for both first and second time ppp borrowers uh and we've actually included a link directly to the uh bluevine website if you guys would like to start your application today next um can't forget about ppp forgiveness so i know that some of you may have already received one loan and are looking for uh some information on this forgiveness process so just a quick update for you guys uh

these applications are still taking place right now so it appears that most ppp lenders will actually be processing these forgiveness applications um while these new ppp origination applications are happening all at once so a reminder there actually is currently no deadline to apply for pvp forgiveness however we do highly recommend that you apply for forgiveness within 10 months of your pvp covered period ending in order to avoid making any unnecessary interest or principal payments um to give you some more context here

all interest and principal payments for the pp loan are essentially put on pause for 10 months after your covered period ends and then of course when the 10 months are over those payments will start to be due so if you apply within that window once that application is submitted those payments will be paused again and then once you receive your sba decision um either they will decide you owe some of the low and back or not and just a quick reminder here it appears that you do not need to apply for pvp forgiveness

for your first ppg loan before you were eligible for that second one so you can again apply for that second loan before you receive forgiveness on your first awesome all right so just before i wrap this up i kind of want to give you guys a quick note about how bench is here to help so this is a reminder that having complete and accurate bookkeeping is essential for the ppp program as well as many other financial relief programs specifically a bench we don't just do bookkeeping we also have what we call the client research

team so that's actually the team that i am on and we are dedicated to helping our client clients navigate their financial relief options and provide you education that will help you make a successful relief application um these uh clients also gain access to uh webinars videos and portals uh that will help you guide guide yourself through this time um if this interests you and you're interested in becoming a bench client or if you would like to start a free trial um i highly encourage you to visit us at bench.com

1. PPP Loans Round 2.0 | Simple Walkthrough for First and Second Time Borrowers - YouTube

**URL**

<https://www.youtube.com/watch?v=Bl0CQ9qQv-4>

**Views and time:**

9,100 views / 36 months = 252.78 views per month

**Keywords:**

ppp 2, payroll protection program, ppp2.0, ppp 2.0, paycheck protection program, ppp loan update, second ppp loan, 2nd ppp loan, first ppp loan, 1st ppp loan, ppp loan, ppp loan forgiveness, financial relief, ppp application, ppp eligibility, ppp, ppp update, self employed ppp loan, second ppp loan update, PPP, COVID-19, EIDL, new ppp loan, ppp round 2, ppp round 2 self employed, ppp round 2 application, paycheck protection program application, paycheck protection program loan,

**Transcript:**

hi everyone my name is oscar from bench accounting and it's 2021 and the paycheck protection program is back so over the holiday period congress signed the covid relief bill which contained a huge amount of funding for a second round of the paycheck protection program or the ppp the main highlight of this second round is that it is available not only to people who have never had a ppp loan before but even if you've had a ppp loan you can apply for a second one providing you satisfy a few criteria now if you've watched a

few of these videos as ever i'm getting all the information um that i'm talking about is from the bench blog and from the relevant article on the blog so do check it out it's a bench dot co forward slash blog there's tons of information there on the eidl on the ppp on how to apply for forgiveness the whole lot and we'll link any relevant articles in the description below this video now just to kind of recap what the ppp is all about it was introduced last year as a result of cover 19 to help

small businesses who've been negatively affected cover things like their payroll costs so keep employees in their jobs and also any some other eligible expenses that were included at the time like rent mortgage interest and utilities now the big thing about the loan is that it's fully forgivable and this remains the same with this iteration of the ppp so provided that you use the funds in the right way and you use it to cover payroll and those other eligible expenses you can have the whole thing written off you don't have to pay it

back that gets forgiven gets turned into a tax-free grant you can kind of think of it that way and that all remains the same the other details of the loan also remain the same so it's a one percent loan so it's very low interest anyway and the duration is five years that you have to pay back so if it's not forgiven you have five years to pay it back now a quick reminder on the eligibility for the ppp loan so this again remains the same if you're applying for it for the first time around all types of small businesses are

eligible to apply so sole props self-employed independent contractors partnerships escort c-corps can all apply you just need to have fewer than 500 employees in order to apply for a first-time ppp loan and you needed to have been in business and in operation prior to february the 15th 2020 and you need to be still open and operational now so you kind of close down ceased operations and apply for ppp funding if you are applying or if you want to apply for a second time ppp loan these are the criteria you need to satisfy in order to

be eligible first up and kind of maybe obvious you needed to have had a ppp loan already and used up all the funding you need to be still open and operational you need to have fewer than 300 employees now remember that the if you're a first-time applicant it's fewer than 500 employees so note that it's slightly smaller you need to have fewer than 300 employees and most importantly you need to be able to demonstrate that you suffered at least a 25 reduction in gross revenue from sort of a year-on-year reduction in

gross revenue as a result of the pandemic so you do this by taking your 2020 tax return and comparing that to your 2019 tax return in terms of your gross revenue so if you can show a 25 reduction that way the other way that is accepted by the sba is by taking a quarter of 2020 and comparing gross revenue in that quarter with the same quarter in 2019 and again if you can show that you've experienced a reduction of 25 or more quarter on quarter well sorry in in the same quarter of both years then you can be eligible to apply for a

second round of ppp now in terms of of how to apply and who's issuing the loans that again all remains the same so this program is backed by the sba but the loans are issued by your sort of traditional lenders so high street banks local credit unions and kind of smaller banks as well as um online and kind of startup banks so names like paypal square capital folks like those were all issuing first-time ppp loans blue vine lendia or a couple of companies that we work with here at bench and so that the main thing to do is just

to check with your lender as they've all got slightly different application processes they may open at different times we're expecting lenders to be accepting applications from january the 11th but again that's going to vary lender on lender so check with your lender and what that process is and when they're starting to accept applications you have until march the 31st to apply um for this round of ppp funding if you cast your mind back to 2020 in the first wave of ppp you remember those funds dried up in just a few days so we

don't know what's going to happen once once banks and lenders start accepting applications and once people start getting loans but what we're advising everyone is that if you want to apply do so early and try and get all your information all your records together and your application form sorted early on rather than waiting until kind of mid-march to apply the next thing i wanted to talk about is how to figure out and just a reminder of how to figure out how much you can apply for um again this is this is all to do with

your average monthly payroll cost so the headline is that you can apply for two and a half times your average monthly payroll costs and so in order to figure that out you take your total payroll cost of the year and that can be for either 2020 2019 or it can be for the 12 months prior to when you're when you're applying for the loan you take your total payroll costs divide by 12 multiply by 2.

5 and that's the amount that you can apply for now remember that it is capped at a hundred thousand dollars um of payroll cost per employee now factor that into your into your calculations if you're self-employed or you're an independent contractor or you're a sole proprietor it's slightly different so for you guys you're taking your net income as reported on line 31 of your schedule c you're taking your net income for the year dividing that by 12 and again multiplying by 2.

5 again bearing in mind it's capped at a hundred thousand dollars partnerships are eligible to apply for two and a half times their average monthly distributions now your calculation is slightly different and if you want an explanation for this or a further breakdown again we have an article on our blog all about partnerships and the ppp for you take your total distributions for the year as reported on your k1 there's one extra step you multiply that by 0.

9235 and then you take that number divided by 12 multiply by 2.5 and you get to your figure and then finally seasonal businesses this kind of process remains the same for you guys you can take a 12 week period rather than 12 months and you can choose any 12 week period between february 15 2019 and february the 15th 2020 in order to calculate what your average monthly payroll costs are now in order to determine whether or not you're you're a seasonal business and whether you qualify again have a look at the article on the

second round of ppp on our blog as it gives you the criteria you need to satisfy in order to be a seasonal business one thing has changed in regards to um to how much businesses can apply for and this is specifically related to food businesses and accommodation businesses so if your next code starts with seven two you can apply for three and a half times your average monthly expenses now this is updated as a result the second round of the ppp um so instead of two and a half times if you're a food business or an

accommodation business you can apply for three and a half times your average monthly expenses now the next thing that i wanted to talk about was um what uh expenses are forgivable uh under the the second iteration the ppp is you remember the first time around you could spend your money on your payroll costs but also rent utilities and mortgage interest this has been expanded um as a result of the new covered relief bill to include some other things so you can now spend your ppp funds on on all those same things but you can also include

things i'm checking my notes out here you can also include things like operations expenditure so things like software costs cloud computing accounting cost hr costs so even your bench subscription we're very pleased to say is a forgivable expense property damage is another one so if you suffered any property damage as a result of any public unrest during 2020 and it wasn't covered by insurance any money that you spent repairing your property is a forgivable expense supplier costs are included so if you're

fulfilling any um any orders or your so you're paying the invoices for any orders that you put in prior to receiving your ppp funds and they're for goods that are essential to the running of your business um those costs are forgivable under the ppp and then the last one is worker protection so any any protective equipment personal protective equipment you bought for employees in order to stay over compliance things like masks protective screens that sort of thing those are all forgivable expenses as well

under the new expansion um with the second round of ppp now the other thing i wanted to say is this applies to all ppp loans so if even if you took out a loan prior to august the 8th of 2020 if you can locate those sorts of expenses i just mentioned those are all um forgivable with this new update now the last thing i wanted to talk about in this video is for folks that applied for a ppp loan were were given a certain amount but maybe didn't take the full amount of their loan the sba has issued guidance that you can now

apply to receive the difference that you didn't get the first time around now the process is still a little bit unclear we're waiting on further guidance so again do do visit the blog to get the kind of latest and up-to-date information on this if it applies for you but let's say you were granted or you were eligible for twenty thousand dollars let's say the first time around but you only took fifteen thousand dollars under this new guidance you can be eligible to apply to receive that five thousand dollars that you

didn't get so that's a that's a brief rundown of of the new round of the ppp as i said check with your lender for when they're opening their applications and when you can get going on this we're recommending that people apply as soon as they can and my last final plug of the blog do visit the blog bench dot co forward slash blog for um all the up-to-date information and for information that's relevant to your business type as well is is all going to be on there but that's it from me for now um do

subscribe to our channel to get the latest up-to-date information on all this kind of stuff and i'll talk to you soon

1. Latest Updates On PPP Loan Forgiveness - YouTube

**URL**

<https://www.youtube.com/watch?v=7fZ28IeHVFU>

**Views and time:**

**5,100 views / 48 months = 106.25 views per month**

**Keywords:**

PPP, paycheck protection program, PPP forgiveness, Small Business Administration, COVID-19, small business, small business finances, ppp loan, new ppp loan, ppp loan update, ppp loan forgiveness, ppp update, ppp 2, eidl grant update, ppp round 2, ppp round 2 self employed, ppp round 2 application, paycheck protection program application, paycheck protection program loan, sba ppp loan, payroll, loan forgiveness, ppp loan forgiveness application, ppp loan forgiveness calculati**on,**

**Transcript:**

hi everyone this is Oscar from bench accounting and in this video on the PPP we'll be talking about the recently released application form for forgiveness now this was released just over the weekend and it's it's kind of an interesting development on the whole PPP forgiveness front now it's gonna be a surprise to a lot of folks a lot of folks have been looking at the PPP and thinking that following the eight weeks of the loan you could maybe go to your lender with a copy of your payroll reports maybe 940s 94t ones are the

supporting documentation and basically just apply to have the whole thing forgiven or at least a large portion now in actual fact the process puts a lot more onus on the borrower so to really work out exactly how much they can have forgiven complete an application form accurately and take that along to their lender with any support and documentation as we just mentioned in order to qualify for forgiveness now this video is just going to be on e on the updates that we saw as a result of this application formal any changes to

any of the understanding we had around forgiveness however we do have a video in the works that will be guiding you through exactly how to complete the PPP forgiveness application form so do subscribe to the channel if you want to see that video and want to know when it's been released we do expect it to sort of cover a lot of the questions that folks are gonna have about particular lines of the forum or whether certain things should be covered in different in different boxes etc so do check out that video and as always I'm

going to be plugging our blog so everything from from this video is gonna be appearing on an article on our blog which is WWDC o /blog all of these updates gonna be in there were linked in the description below so do have a look at that okay then payroll is the first thing that's kind of cleared up in this in the application form and the PPP application so the forgiveness application form now a couple of things it says so if you run your payroll on a bi-weekly and so every other week or more frequent basis you can actually

choose to start the eight-week period of the loan from the first day of your first pay period following the disbursement so you don't necessarily have to start the eight weeks the loan on the day it was hit your bank account as as we expected as we thought before however you can choose to start it from the day of your first pay period if you're running payroll on a bi-weekly or more frequent schedule now another couple of things on payroll so eligible payroll now includes payroll that is incurred or paid during the forgiveness

period so what that kind of means to you is that payroll does not need to be adjusted to ensure that it falls within the eight weeks if a sort of pay or obligation is incurred during the weeks during that eight weeks then that counts it also appears to mean that back dated pay is eligible so if you haven't paid if you haven't met a payroll obligation and you choose to do it during those eight weeks looks like that counts towards forgiveness and is eligible and now also payroll must be at least 75% of

forgiveness and it scales proportionally so the more you spend on payroll the more it can be forgiven now we kind of knew that already about the 75% 25% rule may have to spend at least 75% of the funds on payroll but what this kind of implies is that the more you spend on payroll above that 75% the more of the loan is kind of can be forgiven just on the payroll basis so kind of not even think bearing not even taking into account all those other eligible expenses so if you spend everything on payroll that's also allowed the next

kind of main major topic that it's covered here is on full-time equivalents now this is due with your your employee headcount now again one of the criteria for full forgiveness is that you maintain the same level of headcount as kind of as periods before the pandemic for those of you with kind of see who are seasonal employers or use different levels of part-time employees it's important to know that the the SBA going to calculate full-time equivalents based on an aggregate hours and maybe using 40 hours per person so essentially what you

do to work out your headcount as you take the total number of hours worked by everyone and divide that by 40 which is going to be the number that the SBA is using and the resultant number is you can think of that as your headcount number so that's how the SBA going to doing the calculation to make sure your head count is the same using 40 hours previously we've been working off 30 as that was from some SBA guidance way back in 2010 however this is explicit update says that they're gonna be using a

40-hour workweek to calculate this now if you're a seasonal employer and you're calculating your FTE or so your full-time equivalent eligibility you can use a number of different periods to compare your Ft now to what it was before you can you use February 15th to June 30th to 2019 or January the first thousand 22 February the 29th 2020 or you can use any consecutive 12-week period between May 1 last year and September the 15th last year a couple of things again on head count we talked a little bit about if there's a reduction

in head count in previous videos it may not affect your forgiveness if you can show that it was a person that has been laid off and then they refused to come back to work they rejected your employer at your offer of employment and that's still the case but then on top of that your forgiveness will not be affected most important if an employee was fired for cause voluntarily resigned or voluntarily requested and received a reduction of hours and a position wasn't filled by a new employee so any one of

those examples doesn't affect your forgiveness as laid out in this and in this updates next topic a couple of updates is on mortgage interest business rent and lease agreements until it's expensive so there's other approved expenses for the PPP now these must be paid expenses they can't be it can't necessarily be incurred and not paid it have to have been paid expenses during that time and utilities has been kind of cleared up some works we were getting a lot of questions here about what counts

as a utility and what doesn't and the SBA clearly defined it as electricity gas water transportation telephone or Internet I'll run rose again so electricity gas water transportation telephone or Internet those are the things that are defined as utilities in this updates a couple more things to touch on one being the economic injury disaster loan advanced services an advance on the Eid our loan of up to ten thousand dollars now anything that was received as part of that program will be deducted from the forgiveness amount so you can't get

double forgiveness on those two things and a couple of final points here so the first part is that if the SBA desert decides that a borrower was actually ineligible to apply for the PPP loan it can actually direct the lender to deny the forgiveness on that application so if you if you received a loan and you think you shouldn't have if you kind of look again at the criterion you think it was given to you a mistake definitely contact your lender because you don't want to find out at the end of the eight

weeks and that you're gonna be denied full forgiveness and then the last point is just to do with how how long you should handle and keep hold of any records and the SBA have said that borrowers must keep supporting documents for six years after the date the loan is forgiven or repaid in full now I assume that this is to do with any audits or yeah exactly any audits of any SBA loans and obviously you're gonna have want to keep hold of any of that documentation just in case the SBA comes knocking and

is questioning how much was forgiven or paid back or even borrowed in the first place so pretty hefty update there a lot of things were covered in that in that update from the SBA and in the application form itself if you want any more information on these topics do have a look at our blog when you cover it in more detail there and I'll put the link in the description below and as I said before do stay tuned we've got a video coming on how to actually fill out the application form and for PPP forgiveness

and we'll release that in the coming days so do subscribe to the channel but as ever thanks very much for watching

1. Updated Guidelines On Maximizing PPP Loan Forgiveness - YouTube

**URL**

<https://www.youtube.com/watch?v=5gy9VuO20bM>

**Views and time:**

2,400 views / 48 months = 50 views per month

**Keywords:**

PPP, paycheck protection program, PPP forgiveness, Small Business Administration, COVID-19, small business, small business finances, ppp loan, new ppp loan, ppp loan update, ppp loan forgiveness, ppp update, ppp 2, eidl grant update, ppp round 2, ppp round 2 self employed, ppp round 2 application, paycheck protection program application, paycheck protection program loan, sba ppp loan, payroll, loan forgiveness, ppp loan forgiveness application, ppp loan forgiveness calculation,

**Transcript:**

hey everyone my name is brendan i'm a member of the client relief team here at bench and i'm back to update you on the ppp guidelines in particular pertaining to forgiveness and some of the changes that have happened since that last video now on saturday may 16th the sba actually released the ppp forgiveness application and despite being the most exciting thing to happen to me that weekend which it really is a low standard given the fact that we're not allowed outside um i wanted to also provide an update

from a purely factual standpoint beyond my excitement around some of the changes that we now know about the ppp so a couple of updates here before i go into the application itself and some of the things that we learned from it uh the first update that i wanted to address was the fact that we have a lot of our clients having questions about you know hazard pay and bonuses occurring in that eight week period and whether that's eligible for forgiveness we now know that that is the case the only exception that there's going to be

to whether that bonus is not going to be forgivable is if it takes their annualized pay in that eight week period above a hundred thousand dollars uh of course the earnings of that um are subject to that earnings cap of a hundred thousand dollars annualized so not a lot of change there just the bonuses cannot exceed that in addition to that we now have guidelines around how partnerships can calculate owner compensation we have a lot of our clients who are filing as partnerships uh and they do not have payroll because they're just

simply taking draws from the net income that they're taking in throughout the year in that case you are allowed to apply for forgiveness on a portion of that 2019 net income as it's reported you need to deduct your section 179 deductions from from that value that can be found in box 12 of your schedule k1 you then need to multiply that amount by 0.

9235 the reasoning being if you multiply by that amount it's going to account for any of these self-employment taxes that were incurred they're looking to give you forgiveness on that post tax amount now into the application itself the first two pages are going to be strictly definitions and as dry and boring as it is even by like government documentation standards i'd still highly recommend giving a cursory overview just to review any of the terms you may not be familiar with this is going to be very important for

informing your spending in that eight week period to make sure you're abiding by their definitions because some of the definitions may actually vary from the typical definitions of what entails a certain expense one of the biggest takeaways that i had was the inclusion of an alternative payroll covered period previously we had to be telling our clients to try to line up their payroll as best as they could with that eight weeks that begins at the point of the loan disbursement now that point of the loan disbursement

does not need to be beginning at the beginning of the eight weeks that you're accounting for you can actually choose an alternative eight week period that lines up with your payroll so for example here like let's say you received the loan on may 15th but your most recent payroll period isn't actually ending until may 19th you can opt to have your eight weeks begin on may 20th and then that last date of the eight weeks will be july 15th and that's going to line up with your last payroll period that way that eight

weeks is going to cover all of the payroll and it's going to be perfectly matched up with your payroll as well another thing that i need to cover regarding some changes here is the calculation of full-time equivalence previously it was going to be 30 hours a week we now know that they're changing it to be 40 hours a week and in addition to that there's going to be a bit of a rounding principle there so for example if a part-time employee works 21 hours you divide that by 40 and their full-time equivalent is going to be

0.525 however they want you to round to the nearest 10th so that 0.525 is going to count as just 0.5 so make sure you're rounding to that nearest tenth when you're accounting for that number and you account uh do the rounding before you add up all the full-time equivalents uh we also have some insight into the calculation of the forgiveness reduction this takes place at the end of page into seven and carries over into the start of page eight and it's going to be a step-by-step process that you need to complete for

each individual employee the first step is going to determine if pay was reduced more than 25 percent if you remember from my last video i mentioned that you have to pay your employee at least 75 of that average amount the second step is going to be determining if the salary and hourly wage reduction safe harbor is met the third step is going to be determining the actual reduction itself and how it applies to your forgiveness amount and again that's a three-step process that you're going to have to be doing

for each individual employee payroll providers have an opportunity to step up once again and gusto has updated the report so it actually takes into consideration all of these changes as well as it's going to display all of the information in two forms it's going to display the information in a way that can be immediately translated to the application itself giving you a line by line value to fill out the application the other part of the information that i think is just as equally important is they're going to kind of evaluate you

on how much you're actually abiding by the forgiveness rules the reason why this is important is because it's going to provide you with tips and tricks and how you can actually best match the forgiveness principles in order to be eligible for the maximum amount of forgiveness so every time that you're running payroll if you update this report it's going to provide you an update on how much you're meeting the forgiveness requirements and how much reduction you have so you can kind of track your progress

throughout that eight week period and inform your decision making for all the ensuing weeks that follow in order to maximize your forgiveness if you haven't been set up on gusto i highly recommend getting set up on them once again we are offering a promotion we can get three months free through our partnership uh it's going to be down in the link in the description below i hope this helps in informing you on how the ppp has been changed throughout the last couple of weeks and if there are any other updates that

come forward i will be posting them here we are also on facebook instagram twitter all of the different social feeds so follow us there as well for as much up-to-date information as possible regarding the sba relief funds thanks for watching

1. The PPP Flexibility Act: Everything You Need to Know - YouTube

**URL**

<https://www.youtube.com/watch?v=Kg4ffPSzncY>

**Views and time:**

2,200 views / 48 months = 46 views per month

**Keywords:**

ppp, ppp flexibility act, paycheck protection program, eidl, covid-19, small business finances, small business, sba, small business administration, ppp forgiveness, ppp loan, new ppp loan, ppp loan update, ppp loan forgiveness, ppp update, ppp 2, eidl update, ppp round 2, ppp round 2 self employed, ppp round 2 application, sba ppp forgiveness, sba loan, sba disaster loan application, eidl grant update, paycheck protection program loan, paycheck protection program application,

**Transcript:**

okay hi folks and Oskar here from bench accounting and today we've got a very important update on the PPP the Paycheck protection program in particular this relates to the PPP flexibility Act and it contained a huge number of important updates on the way that the PPP works and the way flex and the way forgiveness works so a number of important updates coming your way in this video as ever this video corresponds to a blog article on the bench website do have a look at that we'll put the link in the description below this video

massively recommend checking that blog article out and making sure that you understand every one of the updates they're gonna be talking about talking about now but to dive into it first of all a couple of sort of nuts and bolts changes about the about the program previously we've been talking about the fact that it's a two-year loan at 1% and now that the duration of the loan has changed it's been extended to a 5 year loan so any monies that need to be repaid as part of the PPP you have five

years to make that repayment and it's still a 1% loan one thing that hasn't changed however is the deadline for applications it remains the same at June the 30th 2020 which is obviously coming up at the end of this month so if you're on the fence there's still roughly a hundred billion dollars of PPP funding available so at the time of this video anyway so I do recommend if you're on the fence definitely definitely think about applying but to dive in some of the things that have changed with the

way that the PPP works the first is to do with this idea of payroll costs and how much you need to spend on payroll costs in order to qualify for forgiveness now if you've been paying attention previously you will have heard us talk about and me talked about in these videos this idea of the 7525 rule which is 75% of the PPP funds had to have been spent on payroll costs in order to qualify forgiveness now the PPP flexibility act has relaxed this number down to 60% so now you need to only spend at least 60% of the loan on payroll costs and the

remainder so up to 40% can be spent on those other forgivable expenses so things like business mortgage interest rent and lease agreements and business utilities and can make up the additional 40% of the loan tying in to that is the actual forgiveness period itself or what's known as the covered period now previously this has been an 8 week period so when you receive the loan the disbursement the loan it comes into your bank account that you had an 8 week period in which to spend the money and then you could qualify and then you

could apply for forgiveness afterwards this has been extended as well this is out to 24 weeks so they've tripled the the period in which you can spend the PPP funds and an important distinction here is that it's it's 24 weeks or the 31st of December this year whichever comes earlier so it in actual fact if you receive the money for the PPP after the 16th of July you won't get the full 24 weeks because you'll arrive at the 31st of December first but it for all intents and purposes it's changed from

an 8 week period to a 24 week period and what that's going to mean for you is that in theory you should be able to spend the the full amount of the PPP now on payroll costs so on paying your employees you know you'll be able to get a far higher number of payroll runs in that 24 week period and you can just use all the money on payroll costs now that it's been extended the extension does apply to all loans however if you receive the money already and you've been working on an eight-week period you

can keep it you can elect to keep the covered period at an 8 week period and then you know start applying for forgiveness sooner if you'd like to but that that option to extend to the 24 weeks is available to all borrowers the next updates that's worth discussing is this idea of rehiring employees and and for those who sort of understood the forgiveness criteria beforehand there's this idea of maintaining headcount to sort of pre covert levels in order to qualify for full forgiveness and it was this idea if you should keep your the

same number of FTEs or full-time equivalents if that FTE number had dropped in between February 15th and April the 26th of this year you could still qualify for full forgiveness if you rehired employees by the time you got to June the 30th that was the sort of cutoff date now the PPP flexibility Act has extended that cutoff date to the end of the year to December the 31st of 2020 so again the cupboard period is much longer but if you have had to furlough employees or let employees go you have until the end of the year to

rehire them and still qualify for full forgiveness of your loan there is a new exemption to do with the rehiring of employees that you should also be aware of now if you can document that you are trying to rehire employees that you had to let go you were trying to replace employees that had to let go let go and you couldn't find a suitably suitably qualified replacements or indeed if you can show that for safety reasons you couldn't fill the gap of the person you had to let go your forgiveness again

will not be affected under this new exemption now we haven't had a huge amount more sort of guidance as to how you're going to be able to document those things but that's something that's been that's been laid out in the PPP flexibility Act next thing I'm going to talk about is actually to do with payroll tax the cares Act one of the things that it's brought about was actually a bit of tax relief for small businesses and it was in the form of deferring Social Security tax payments

and it was going to be 50% was going to be due at the end of 2021 and the remainder the other 50% was going to be due at the end of 2022 but there was a caveat which was if you'd applied PPP funds and received forgiveness that deferment of your taxes didn't apply to you and they were going to be due sort of immediately now the flexibility Act has removed that caveat so that even if you apply for PPP funds you got forgiveness you still qualify to be able to defer those Social Security tax payments until at least the

end of 2021 so as a reminder 50% of your payroll taxes will be due by 31st December 2021 and the other 50% by the 31st of December 2022 and the last update that I'm going to talk about on this video is the actual repayment of the loan itself now if you didn't qualify for forgiveness for some of the funds or you need to you need to repay them previously the way the PPP loan was structured was that the you don't have to make any repayments for the first six months now this has been scrapped and now you don't have to make any repayment

of the loan until after your sort of forgiveness application has been has been processed and completed now under the flexibility Act you have after the end of your covered period you have up to ten months to apply for forgiveness and then once that application has been processed and completed you've heard the result then you have to then you can worry about making repayment of the loan so this whole six months deferment has been scrapped and it's now a much longer period until you have to actually even

if you do have to start repaying it you have a lot longer to wait until you have to make those payments so every one lot of changes in the PPP flexibility Act completely changed a lot of the way that we sort of understood the idea of the covered period and forgiveness and even the length of the loan and when you have to repay it so I do as I said at the beginning this video recommend having a look at the blog arts a little article that we're going to link in the description below as it's going to lay

out all of these changes for you to kind of really understand them as you sort of receive the money and start using those PPP funds but as ever thank you very much for watching if we get any more updates the program will of course be sharing them to the can also do subscribe if you want to see that content when it comes through but thanks very much

1. The Fastest Way to Get Paycheck Protection Funding | Bench Accounting - YouTube

**URL**

<https://www.youtube.com/watch?v=WFljLYQ70yg>

**Views and time:**

4,100 views / 48 months = 85 views per month

**Keywords:**

paycheck protection program, ppp loan, how to apply ppp loan, how to get paycheck protection program loan, cares act, covid loan, coronavirus loan, stimulus bill, small business,

**Transcript:**

hi everyone Oscar from bench accounting and just a quick video today on some tips around what's the fastest way to actually apply for the Paycheck protection program loans now a lot of our clients are kind of looking at this as a first-come first-served program which obviously it is and kind of all the people that we've already seen applying for these loans a huge number of applications have already gone in and a lot of people just want to know what's the quickest way for me to do this that was there how do I kind of ensure a

quick turnaround in this and there's a few tips that I'm going to give you in order to do that the first is to is to get hold of an application before you go to your bank before you go through the process especially if you're doing this in in person you can we'll put the link below on this video on in the description so you can go and download one yourself you can find it through the Treasury website and you can also find it through the bench blog through our paycheck protection program article get

yourself the form 2483 which is the borrower's application form and just familiarize yourself with the form the last thing you want to do is go off to your bank to apply for one of these loans and and not have all the information you need because you haven't seen the form now on there there's going to be things like making sure you have your social security information your your EIN number for your business and if there's multiple shareholders for the business there are over 20 percent you want to know all their information

things like addresses and social security numbers you don't want to be having to to go back and get that information once you are once you're under way with the application process so gather out that that all and beforehand as part of that you want to get familiar with your numbers you want to know exactly what your payroll costs figures were for 2019 and indeed what your average monthly payroll cost figure is so that you can just shove that into the application form you don't have to labor trying to figure out that figure

included in this is making sure that you've got your accurate financials done for 2019 you don't necessarily have to find the tax is great if you have but you definitely want to have a clear picture your financials particularly if you fall into that sole prop self-employed category where it's gonna be based off your net income you need to know what that number is before you start your application process once you've kind of figured that all out you familiarize yourself with the document you need to

start gathering all the information you can to back up your claim to what you want to borrow and because the bank's different banks are going to have different systems but likely likelihood is is they're gonna check to make sure that you can back up what you're claiming your average monthly payroll costs are so things are going to need payroll reports try and get hold of the payroll report for the full year 2019 now if you if you use one of the major payroll providers I'm thinking people like Gus though I think pay checks also

does this you should be able to get a PPP specific payroll reports that should be available to you through your account to get a hold of that and you're also going to want to think we want to have things like your tax return so those 940s those form 941 try and get all of those if you are an independent contractor and you want to support what's on your net profit line and whether you haven't figured out that a net profit figure grab all those 1099s you've collected over the course of ten nine over the course of 2019 get all of

those 1099s if you can't get any of these things get those financials together I mean even still it doesn't hurt to make sure that you've got your bookkeeping rock-solid for that 2019 make sure you've got an income statement and a balance sheet and so you can kind of show your business you show your business expenses and your payroll figures and then why not just get those bank statements together even if you can't get all the above some some banks still might be able to process alone just going off bank statements so

get those together as well now once you gather all your documentation you familiarize yourself with the with the form and you fill it in beforehand here's the kind of strategy for actually applying to these loans first up you want to go to the bank that you are already having relationship with this is crucially important because one thing that we that we've seen which we didn't necessarily predict but certainly in the last few days since applications have been open is that all the major banks with a couple of exceptions but

they seem to have a requirement for you to already have some sort of relationship with them if it's it's not a lending account and at least it's you have to be a customer and have checking account so go to your bank and check there and check out they're taking applications and they're processing them already then just apply through them now if they are not if there's some sort of problem if the if the banks closed applications at the time said Wells Fargo as an example that was that close

to applications for a while and now it's back open you should be looking at your like a local community a local community bank so check your local area you should know what the local sort of banks and credit unions are where you are now these should be or could be anyway experience slight experiencing slightly lower volumes than these larger kind of Main Street banks is if you will so do go and have a look through those it may be a quicker way to getting a loan now if those both fail and you can go through a sort of through a funding

platform now a bench we have a partnership with fund era so we can certainly again we'll put a link below to through to our landing page with them where you can actually go through fund error and essentially shop out your application and they'll connect you up with different SBA lenders to kind of ensure that you have the the best chance for success now applications through fund are actually open on Monday the 13th of April so you're gonna have to hang tight for that but as I said the best two options are going directly to your bank

your kind of your main principle bank and then checking out those local community banks as they might be the kind of ticket to getting a quicker application as ever check the description below for kind of further links like I was talking about - that - the the application form hit subscribe to us because we are checking out videos all the time on the PPP on the disaster loans and everything have disaster funding related so do subscribe otherwise that's all for me for this video thanks very much for watching good luck with your application

1. The Paycheck Protection Program is closed. Now what? - YouTube

**URL**

<https://www.youtube.com/watch?v=leqQ2Zv92W8>

**Views and time:**

**1,800 views / 48 months = 38 views per month**

**Keywords:**

PPP, Paycheck Protection Program, PPP Closing, Paycheck Protection Program Closing, How to, What now, bookkeeping, EIDL, economic injury disaster loan, PPP funds, ppp loans, small business, small business finances, covid-19, coronavirus, cares act,

**Transcript:**

okay hi everyone its Oscar from bench accounting and as of today the 16th of April and I'm recording this video both the PPP and the Eid ell programs disaster funding for small businesses have run out of money and the SBA is no longer accepting new applications for both those programs so the point of this video is to try and give you a small business owners a couple of steps that you can be taking now as well as highlighting a few of the funding programs that are still available and before I kind of dive in I do want to

say that you know a few things a that we're hoping along with everybody else we're hoping that both these programs do get more funding obviously nothing's guaranteed and so you should be prepared for sort of any eventualities the second is that as I do with all these videos I will plug what will plug our blog again which is WWE bench Co forward slash blog all the information I'm going to talk about in this video is available on a new blog article coming out today the 16th of April and we'll put a link and

to the and to the blog article in the description below so do check it out it will be really helpful if you want to get any more details on anything but for now the two steps that we're certainly telling all our clients and and I'll tell you now is one take care of all your bookkeeping and taxes for 2019 and two is explore the other funding options that are available to talk briefly on that first point now pretty much all of these funding programs available have some sort of financial reporting requirements just to kind of prove how

much you want to borrow be just kind of double check what you're saying against tax returns that sort of thing now this is the perfect opportunity if we're if you're sort of expecting that the PPP or the e IDL may receive more funds it's the perfect opportunity to get your bookkeeping on taxes in order so you have all that financial information you need and records the back it up for when you do come to apply to those programs and as ever if you need any help getting your financials together

for last year or going back even further as well as tax returns do give us a call drop us a line and book a call with bench will be happily I will be happy to help you out there now the second point the second thing we've been telling our clients and is look at the other funding options and this is what I'll spend the rest of the video talking about because there are still a few things that you can do as business owners and and things that you can apply to now the first thing I want to talk about is still

avenues of funding you can get from the government now the first one that we'll talk about is the save small business fund now this is a fund sort of a grant program created by the US Chamber of Commerce and to give you the headlines it provides $5,000 to small businesses with 3 to 20 employees and this is a grant it doesn't have to be paid back it requires a w-9 form to to apply and your business must be located in an economically vulnerable community now if you go to the website put in your zip code they'll be able to tell you whether

or not where you live you qualify for this program we'll put all the links to sort of where you can apply where you can find the sort of the zip code locater that's all going to be in the blog post so do check it out one thing I'll say on this is that applications open on the 20th of April so it gives you a few days to kind of have a look at it see if you want to apply before it opens the next thing that is available and has been sort of expanded and grown as part of the the cares Act is the the employee retention

tax credit system now this gives up to $5,000 per employee that you keep on on payroll through the through this sort of covert 19 pandemic situation that's a very high-level description of the employee tax credit program again we've got a blog article in this very same subject so do check but that's definitely worth looking at the next is the Express bridge loan program this is again through the SBA it's you you go through your your traditional lender so your high street bank but I'll be back by the SBA and

this is another loan program more like a traditional loan rather than some of the grants and forgivable loans that we've seen however this is up to $25,000 you can apply for 7 year terms slightly higher interest rate at the moment it's sitting at four and a quarter percent and but this loan can be used to cover working capital another and other expenses you do have to prove that you've been negatively affected by the the sort of the covert crisis but definitely worth having a look at that's the Express bridge loan loads more

information about that on the blog now aside from those sort of government programs a lot of private companies and sort of large businesses have stepped up with with funding that's available and I'll highlight a couple of them now the first is the Facebook small business grants program now I'm reading out here the the headlines this is this is cash grants as well as advertising credits to small businesses and with with two to fifty employees that's the that's the bandwidth there well the bad I suppose

that you can fall into applications here going to be open to cities on a rolling basis do visit visit the sites of the Facebook site for the small business grants to see if it's open in your area and you must be a for-profit company that's been in business for over a year those are the criteria that's the Facebook program now Google are also running an ad credits program so providing advertising credit to small and medium sized businesses that advertise on Google in 2019 so if you're an existing Google advertising customer

in 2019 you can qualify for these credits Salesforce they have a small business grant program now this we've heard very little about this program we know it's $10,000 grants for small businesses applications are not yet open but if you do want to find more about that there'll be links on the post in the blog that we've linked below so do check that out so we've covered government support that's still available as well as support from large private businesses next is regional support now obviously

there's gonna be a huge amount of this that I can't dive into specific regions on this video however there is a ton you know state by state region specific things happening through your local Chamber of Commerce through your economic development offices nonprofit programs other relief programs and we've done our best to compile a kind of really detailed resource here on our blog that lists everything state by state so do again check that out if you want more information now another thing to talk about is industry level support

so these are all different funding options definitely worth checking out if there's an industry related body in the field in which you have a business and do see if they're offering any any grant programs to run through a couple of active funding sources now we know that the restaurants industry has the restaurant employee relief fund so this is through the National Restaurant Association educational foundation it's providing grants of up to $500 for impacted employees so if you're working with ruber eats and doordash you do a

qualify for this so that's that's there for you as well as that the photographer fund and this is providing up to five hundred dollars in grants to impacted photographers now there's another program called the the Cerf plus now I did write down what that was yeah that was the craft emergency relief fund plus so this is for artists working in crafts you have up to three thousand dollars in grants now these programs we talked about they not be may not be relevant to your industry however it's just a sort

of example that there are tons of industry specific grants and funding options available so do do a bit of work and and have a look to see what's available for you if you are self-employed there's a couple of programs that are still still relevant to you the first is is those federal stimulus checks so up to $1,200 we can we pay that paid out by the federal government and you can check on the status of those through the IRS get my payment sites again we'll stick a link to that site in in the blog article and

we do have a ton of information about those stimulus checks unemployment assistance and unemployment benefits have been greatly extended as a result of the pandemic that so the pandemic unemployment assistant program has taken that the existing and employments program and extended it to include all the sort of sole props and self employed independent contractors that wouldn't usually qualify and for these unemployment benefits so that's great news if you fall into that into that category and again we've got a ton more

information on the blog now there is also the freelancers relief fund so this is up to a thousand dollars in grants for freelancers experiencing financial or health hardships one caveat to this is that applications are temporarily closed but do keep your eyes glued to that program if it's relevant to you as it may reopen and lastly we'll just kind of touch upon the fact that private lenders so folks like banks merchants processes other non-bank lenders may still offer lines of credit during during this whole crisis obviously some

some folks will have kind of tightened up in terms of lending but some of them still will be providing lending definitely worth kind of I guess when you're thinking about those just kind of thinking about the fact that there are still a few I suppose there are still a couple of things to bear in mind with that like obviously there's going to be different there's doing no forgiveness or anything like that with these two these sorts of loans there are gonna be very traditional in their structure and

the interest rates you're gonna get probably aren't gonna be anything the saying that you would be getting any of these SBA back blow but definitely worth considering you can go through traditional banks you can get business lines of credit you get working capital loans and even yeah even even even credit cards you know however some business cards they offer zero percent interest on your first year obviously you've got to be really careful if you're going down this line it's not usually a good idea to be floating your

business using a credit card however it's definitely something to consider in this sort of I supposing these unprecedented times and that is a ton of information I have just chucked out over the course of this of this video I appreciate this a lot I do encourage anyone who's kind of got through this far to definitely have a look at the blog article in the subject pick anything out that's specific to you dive into it in more detail read up on it because there are still funding options available and don't lose all

hope just because the P P P and the I D other temporary suspended and obviously we hope they come back on when we don't know for sure but wishing you all the best for the funding opportunities that are still available do check them out thanks very much

1. What to Do If You Get Approved for a PPP Loan | Bench Accounting - YouTube

**URL**

<https://www.youtube.com/watch?v=WAtQ6TUy3uU>

**Views and time:**

**8,600 views / 48 months = 179.17 views per month**

**Keywords:**

ppp, paycheck protection program, cares act, covid-19, small business, small business finances, eidl, sba, small business administration, loans, small business loans, government loans, coronavirus, stimulus package,

**Transcript:**

okay hi everyone its Oscar from bench accounting and in this video I'm gonna be talking about what are some of the steps you can take once you've been approved for the PPP now first of all great news you've made it through the application process however there are a few things that you should do from here because from now that the game is all about how do you get this loan to be forgiven to be turned into that non-taxable grant and to make sure you don't have to pay it back the first thing you want to do is connect with

your employees you know you're gonna fall into two two sort of buckets here first of all the first bucket is that you've managed to kind of keep everyone on payroll so far you have not to let anyone go in which case that's fine you just want it you just want to be maintaining that same payroll over the next eight weeks or you're gonna fall into the second category where you know you've had to as a result of you know the shutdown and everything else you have had to let go of employees or furlough them over the last sort of few

weeks now if you fall into into the second category you're going to want to get in touch with those those employees and get them back on payroll as in order to qualify for forgiveness at the end of the eight weeks your payroll cost needs to be the same as what they were sort of this time last year now don't worry if they don't necessarily have the same sort of job role to do as that's kind of missing the point of of the of the program which is really just about making sure that money is still getting

to them this is a great opportunity to be kind of looking at projects that were maybe on the back burner beforehand or or even projects that will put you in a great position sort of post kovat so definitely have a think about that but one thing you do want to do is make sure that they're not claiming unemployment benefits because the PPP and those unemployment benefits they don't mix now once you have done have sorted out your your head counts and your payroll costs another great idea is to open up a

separate bank account for the loan proceeds to go in now as you know for forgiveness you have to keep really good records and display exactly where you've been spending that money now remember you have to use at least 75% of the loan on those payroll costs but then you have up to 25% that you can spend on things like mortgage interest on utilities on rent rent agreements lease agreements all those sorts of things so if you can put all the loan proceeds into a separate bank account it's gonna really help you keep

a track of where that money was spent however if you fall into sort of the category which is gonna be most business owners where you're not just using a debit card to run your business you are gonna need to make sure that you have bullet proof bookkeeping and record-keeping and this is gonna be my sort of third point here which is make sure you are on top of that bookkeeping now in order to make that sort of forgiveness procede process go as smoothly as possible you're gonna want to know exactly where

and when you spent that money how much it was who it was to what the category or so you how so yeah well the category of that expense was you're going to want to keep track of all receipts of invoices any sort of official notices of sale all those sort of things that kind of fall into really good bookkeeping and if you need any help with that we can of course help you here at bench so do give us a call now the advantage of having such good bookkeeping is it's gonna make all that sort of that forgiveness

process go as quickly as possible it's gonna boost your chances for success so it's really important that you take that seriously over the eight-week period for the loan now once you've kind of done all that and you have gone through the eight weeks bolon you've kept fantastic record-keeping and you then need to apply directly to your lender to your bank if it is your bank for for that forgiveness now we don't know exactly what that looks like yet or what the application form looks like and and we suspect it's

going to be different for different institutions what we do know is that once you've come to the end of that eight-week period after this after the disbursement of the loan you need to apply proactively for that forgiveness now one thing I'm just going to kind of throw into the mix here is as part of your kind of next steps is that a lot of business owners including a ton of bench clients will have applied for the PPP using maybe 2019 tax forms that haven't necessarily been filed yet or maybe just

using financials from 2019 in which case this is still a great time over the next few weeks to actually get on top of your 2019 taxes and get them filed if you haven't already you know if you qualify for a refund it means you'll get it sooner and that could be another fantastic sort of injection of cash to help you through the coming weeks and months so you know we're advising all our clients definitely get on top of finding that tax return you obviously you know that the extension sorry the deadline has been extended out until

July 15th but the earlier you get that done the better and again if you do need help we can help you file your taxes through bench tax so again do reach out to give us a call if you need some support there but that's all for this video those are some of the steps you should be taking post PPP approval thanks very much for watching

1. The PPP Loan is Back: What You Need to Know | Bench Accounting - YouTube

**URL**

<https://www.youtube.com/watch?v=PsFO2jqhIuM>

**Views and time:**

3,000 views / 48 months = 62.5 views per month

**Keywords:**

ppp, paycheck protection program, eidl, cares act, covid19, small business, small business finances, ppp loan, paycheck protection program and health care enhancement act, coronavirus, small business loans, sba, small business administration, sba disaster loan,

**Transcript:**

okay hi folks its Oscar from bench accounting with a quick update on today Friday the 24th of April with on the PPP so this morning the President signed into law the paycheck protection program and health care Enhancement Act and the big headline here is that there are under additional three hundred and ten billion dollars and going towards the PPP effective as of today now the PPP the program itself remains exactly the same so in terms of how to apply how to calculate how much you can borrow the application form the forgiveness all

that sort of stuff exactly the same but there are a couple of updates which I will give you now the first is to do with smaller lenders so micro banks and those sorts of community banks credit unions so out of that three hundred and ten billion dollars 60 of it has to be funded through these smaller banks so sixty billion dollars has static has to go through those local community banks those local credit unions now we spoken in the past about how tactically that might be a better better idea to go through these guys because they're going

to have slightly is kind of smaller flows maybe they can kind of process clients a bit quicker and now they've actually got specific funding dedicated for them definitely probably an idea to to consider Chucky another application through a local bank and if you have one second update now if I was supposed to guess I'd say this is probably intended for some of those much larger companies that hit the papers this week about that we're sort of applying through the PPP program and then maybe had to send their

money back things like that but anyway there's an update in the in the in this law that says that if you apply for PPP funding and then within two weeks you realize that you don't actually need the funds or you decide you don't want the funds you have two weeks to send them back with absolutely no penalty or anything like that so that really is the update for the PPP 310 billion dollars extra it's kind of it goes live today definitely worth bearing in mind that there are gonna be a huge backlog of applications of people

that didn't get funding the first time through those applications and he's sitting with banks waiting to be processed so if you're sort of on the edge we'd be meaning to apply I would strongly recommend doing whatever you can to get that application out today tomorrow over the weekend whatever and if you need any help or any guidance on how to do that do give us a call here at bench now the the the act the PPP and health care Enhancement Act also had some news about the e IDL program so the economic

injury disaster loan program and here again it's given an additional amount of funding so there's sixty billion dollars going to the to the program and an additional ten billion going towards the emergency grant side of that so as a recap this is up to ten thousand dollars per applicant and there's given there's a grant while the rest of this sort of while the rest of the application is being processed so additional funding there and bear in mind that this is slightly different from the PPP you

don't apply through your lender you go directly to the SBA and if you need any links of where to find application forms link to the SBA website all that sort of stuff check out the link to the blog post that goes along with this video and that will appear in the description below so do have a look at that now just before I sign off I just wanted to cover a couple of fa Q's a lot of our clients have been asking over the last few days first one will the terms of the PPP change now I touched on that at the

beginning of this video but know that the rest the program remains exactly the same only thing that's changed is some of the funding has to go through those smaller banks and you do have two weeks to send the send the money back and you realize you don't need it everything else in terms of the mechanics of the loan how to figure it out and how the application works exactly the same second question if I've already submitted an application before the funds ran out do I need to submit again and again I kind of you kind of gauge

this from what I said before but but no so if the lender has your application that'll be sitting in a queue and it'll be they'll get to processing that application with this new round of funding this answer kind of ties in to the next question which is what if I haven't heard back from my lender about my application can I apply elsewhere so am I allowed to have more than one PPP application and here the answer is definitely yes we have been advising our clients for this over the last couple of

weeks is that it's absolutely fine and almost encouraged to have multiple PPP applications in order to give yourself a better chance of success so if you hadn't heard back from your high street bank check out some of those local credit unions you've also got the option of going to non-bank lenders so people like PayPal are issuing these loans you can go to the likes of blue vine Len do other sort of FinTech non-bank lenders they've got special programs the PPP so do check them out and in terms of having

multiple applications whoever funds your application first all of the ones out there they will be the ones obviously that fund it and then the rest of the applications will be sort of null and void and they'll be discounted so don't worry about having multiple ones but that's all from me for today that's the application that's the update sorry on the PPP as always good luck with the application if you need any help or assistance do give us a call here at bench and thanks very much for watching

1. The PPP Loan For Seasonal Business: What You Need To Know - YouTube

**URL**

<https://www.youtube.com/watch?v=mvqsX4tXYO8>

**Views and time:**

1,100 views / 36 months = 31 views per month

**Keywords:**

PPP Loan, PPP, PPP Loan Forgiveness, Paycheck Protection Program, Seasonal Business, forgiveness applications, PPP forgiveness, paycheck protection program, COVID-19, small business, EIDL, new ppp loan, ppp loan update, ppp update, ppp 2, eidl grant update, ppp round 2, ppp round 2 self employed, ppp round 2 application, paycheck protection program application, paycheck protection program loan, sba ppp loan, sba ppp, eidl, eidl grant, eidl update,

**Transcript:**

hi there everyone this is kiva again i am a financial relief specialist here at bench accounting and today i am going to be going over some paycheck protection program requirements and information specific to seasonal businesses so first what is a seasonal business in regards to the paycheck protection program in order to be considered a seasonal business you must satisfy at least one of the following criteria either you did not operate for more than seven months in any calendar year or during the previous calendar year

your gross receipts for six of the 12 months were no more than 33.33 percent of your gross receipts from the remaining six months so an example of this is if you earned one hundred thousand dollars from january through to june you earned no more than thirty three thousand three hundred and thirty dollars going from july to december there is more details on loan calculation for seasonal businesses available on our mini video how to calculate your ppp loan amount however we will go over a brief overview here so when it comes to calculating your

loan amount as a seasonal business you are eligible to use any 12-week period between february 15 2019 and february 15 2020. you then are going to divide your total payroll costs by three months to obtain your average monthly payroll cost to report on your application this amount is then multiplied by 2.5 for documentation for a seasonal business that runs payroll you will be required to provide payroll detail documents from 2019 including business payroll w3 forms form 941 filed by the business for each quarter

and form 945 by the business annually and all of which can be supplied by your payroll provider for documentation for a seasonal sole proprietorship we find that there is limited guidance made available by the sba so before applying as a seasonal sole proprietorship or self-employed individual we recommend you check with your lender for application requirements as a seasonal business required documentation for the application will include a schedule c found on form 1040 for sole proprietors form 1099 misc for independent

contractors and form 1065 and all associated schedule k-1s for partnerships and all of these can be found on your annual tax return if you're worried about how being a seasonal business will affect your application i am here to ease your worry our partners blue vine and lundio have created an application where you can simply check a box in order to be recognized as a seasonal business for more information and other videos like this one please check out our ppp financial relief hub on facebook powered by bench

thanks for listening and have a great rest of your day bye

1. The Paycheck Protection Program | What You Need to Know - YouTube

**URL**

<https://www.youtube.com/watch?v=Xr97gGTPFnY>

**Views and time:**

**22,000 views / 48 months = 458.33 views per month**

**Keywords:**

paycheck protection program, ppp, ppp loan, stimulus package, cares act, stimulus bill, coivd loan, forgivable loan, payroll protection program, payroll protection, paycheck protection, sba, sba loan, forgivable sba loan, paycheck protection loan,

**Transcript:**

okay hi everyone I'm Oscar from bench accounting and in this video I'm gonna be talking through the Paycheck protection program so this is the 349 billion dollar program that is designed to provide funding for small businesses in the US that have been negatively impacted by the coronavirus so I'm gonna talk through and what the program is who's eligible to apply to it how to apply and the talk through how much funding you might receive and how to calculate that what you can spend those funds on and then most importantly how

this loan can be fully forgiven as that's it that's a key part of it but before I into it I just want to say there's tons of information out there and there's lots of other funding options available for small businesses so do have a look at the bench blog because we cover all the different things that available and to small business owners out there so do check it out that's bench CEO forwards that blog writes the Paycheck protection program so the idea of this program it's a huge amount of money available to small

businesses three hundred fifty billion dollars and it's designed to help them maintain payroll and keep their staff in a job and actually in some cases rehire employees that have been laid off as a result of the coronavirus there's no fees to apply there's no guarantees required or any collateral and this loan can be fully forgiven so you don't have to pay any of it back a couple of sort of small housekeeping items on the loan the interest rate is one percent and it is a two-year loan and the repayment of

the loan is deferred for for the first six months but the interest does accrue over that time and also the maximum amount that can be lent to any to any one person on this loan is 10 million dollars so that's the max but in terms of who is eligible really it's just all small businesses so if you're a small business of under 500 employees that's a cut off the 500 employ mark you qualify for this and it's it's all different entity structures so soul props qualify so do the self-employed so

do independent contractors nonprofits all eligible for this program you know there's a number of I'm looking here at the application form there's a number of checkboxes and the top left which is going to show everyone that can apply so if you're on that and then you're eligible the other thing is that you have to be able to attest that the current economic climate it's all the uncertainty around coronavirus that has negatively impacted your business so if you're a medical mask provider for

example you won't be you won't qualify for this program because your business is probably doing a lot better at the moment so to bear that in mind however chances are 99 percent of the people watching this video you applied for this program so you should applications for small businesses and so props open the third of April and applications for independent contractors and self-employed open on the 10th of April and this program runs until the June 30th that's when applications are open until and this is a first-come

first-served basis so do do note all of that down now in order to apply you to get hold of one of the forms I got on my screen over here which is the the form 2483 so the paycheck protection program borrower application form now you can find this awesome on the SBA website you can find it on the Treasury website so if you go to Home Treasury gov there's a there's a red banner at the top you click into that and that will take you through to the place where you can download this form you need to fill out

the application form I would actually read through it first to make sure that you've got all the information you need on there before you actually go and take it to your bank that's what you need to do you need to fill it out take it to your bank along with any supporting documentation or anything to prove how much you're trying to claim for so things like payroll reports and bank statements 940s and 940 ones those sorts of things take those along with you because you want to have you want to be fully prepared

when you're applying now as part of the application you need to figure out what's the amount that you are you are hoping to receive and how much you're going to put on the form that you think you're eligible for now in order to figure this out you need to know your average monthly expenses sorry your average monthly payroll expenses and you times that by 2.

5 up to a max of 10 million so the key thing here is your average payroll expenses now to figure that out you go to 2019 and you take your total payroll expenses for the year and divide that by 12 to get to that average number and then your times by 2.5 and then that resultant figure is that is the number that you can apply for now there's a couple of things to point out here if you are a seasonal employer so you your your payroll numbers fluctuate massively throughout the year that the period that the bank is going to be interested in as for the

purposes your application is the period from Feb 15 to 2 n-- 30th 2019 so you use that figure if you if that period if you're a seasonal employer if you are a brand-new business and so you let's say you came into existence the back end of 2019 or even the beginning of this year you use January and February of 2020 in order to work out your average payroll costs you need to have been in operation before February the 15th in order to apply for one of these loans that's another thing that goes into the

eligibility to apply and there's a couple of other sort of gray area points I want to just bring up here that are gonna help you figure out your payroll cost the first is what goes into payroll costs because it's not just things like your wages salary earnings tips all those sorts of things it's actually this sort of holistic compensation for employees so things like group health care benefits retirement insurance premiums all that sort of stuff they go into these into your payroll costs along with things all

with state and local taxes assessed on compensation of employees so not federal taxes but those those state and local employee compensation taxes those will go into payroll costs now one thing that doesn't is payment to independent contractors so anything you pay - 1099 independent contractors does not form part of this calculation the reason is is that they can actually apply for these loans independently so don't include those the other thing to note is that this this program only covers payroll per employee up to a cap of

$100,000 so if you have people earning over a hundred thousand dollars this the process you need to follow you need to work out your total payroll costs for 2019 and then subtract anything that was per employee of over a hundred thousand dollars need to take that away and then you divide the the total by twelve to reach that average monthly cost so nothing over one hundred thousand is covered by this program to bear that in mind right so once you've figured out how much you eligible to apply for and you put it down on your on your

application form and you you apply and you are granted the loan you need to know what you can then spend these funds on and that's what I will just talk through now so the first thing that's that's obviously covered are those payroll costs so the intention is that the bulk of this loan is going to cover the the wages the salaries the the health care costs things like that however you can also spend this loan on on qualified expenses which include things like mortgage interest payments and rent or lease agreements and

utilities now the caveat here is that these all have to have been in place before the 15th of February 2020 so if you signed a mortgage for the business in March you you can't use this to pay for that to pay for that interest because it has to be the interest not that not the principal for these for these mortgages that were prior to 2 Feb 15 the eligible use of the funds all ties into this last point which is how do you get this loan and to be forgiven how does it how do you ensure that you don't have to pay it back

now once you've received this loan you have an 8 week period that it's designed to cover and during that 8 week period anything that you spend on payroll costs or these things like mortgage mortgage interest expense rent or lease utilities any that you spend on that is eligible to be forgiven now there are a couple of conditions here the first is that you only are allowed 25% of the loan to spend on those non-payroll cost items so mortgage interest payments rents and lease agreements utilities those are not

allowed to make up more than 25% of the loan the second thing is there a couple of conditions that go along with this and I'm just gonna go on to those now so you need to keep all of your employees if you reduce your employee headcount the amount of the loan that can be forgiven will be reduced by that same percentage so to cover a quick example if you have 10 employees and you let one of them go so a 10% reduction in your head counts the amount of the loan that can be forgiven is reduced by 10% so it's an equivalent percentage the

other thing is that if you if your total payroll expenses for workers making less than a hundred thousand reduced by more than 25 percent your loan forgiveness will reduce by that same amount so if you reduce salaries by 30 percent the amount of the loan that can be forgiven will be reduced by 30 percent but you do have that sort of 25 percent buffer there and also this is only applicable to employees less than $100,000 now the last thing to say on forgiveness is that you can actually rehire employees so if you've

had to lay anyone off and this is in the period since the 15th of February 2020 so anyone laying off laid off before that doesn't count but you can actually rehire those employees laid off since Feb 15th in order to qualify for to have your loan forgiven so do bear that in mind if you've had to let anyone go in any any time in March 2020 rehire them and you still are eligible to have your loan forgiven there's a is it gray area here that we've had a couple of clients ask is that what if I let somebody go

and they've got a different job now we've not had clear guidance from the Treasury on this and we do expect further guidance to come to keep checking out the blend but Ben's blog but you know I think the way that we kind of feel about this is that as long as you are hiring somebody into that position so you're kind of your you're getting your headcount and your payroll back to what it was last year that's in the spirit of the law and that will mean you are eligible to have this loan forgiven now that's a run through the

program if you have any more questions about it or you want to know how it applies to your particular situation one thing that you know does come up a lot is people who are sole proprietors and let's say you know on payroll you take member drawers we have an article about that's that specific situation on our blog so do go and have a look also do give us a call here at bench accounting we are we'd be delighted to speak to you and talk you through the program and kind of answer any questions you might

have but in the meantime do check out our blog grab on these application forms fill it out go apply and thanks very much

1. Self-Employment and the Paycheck Protection Program | What You Need to Know - YouTube

**URL**

<https://www.youtube.com/watch?v=g0B1vlMWZ58>

**Views and time:**

**29,000 views / 48 months = 604 views per month**

**Keywords:**

ppp, paycheck protection program, sba loan, self employed, self employment, self employed ppp loan, sole prop ppp loan, sole prop paycheck protection, contractor ppp loan, 1099 ppp loan, 1099, independent contractor, small business, small business finances, self employed paycheck protection program, cares act, covid-19 loan, coronavirus loan, ppp loan, ppp update, bench accounting, sba loan forgiveness, sba loan requirements, sba loans, ppp loan update, new ppp loan,

**Transcript:**

okay hi everyone this is Oscar from bench accounting and this is gonna be our second video on the on the Paycheck protection program now more specifically in this video we're going to talk about how it relates to sole proprietors self-employed independent contractors just a quick recap on on the PPP this is the three hundred fifty billion dollar program that was introduced as part of the cares Act in order to provide sort of stimulus to small and small businesses in the US that have been affected by covert 19 and really the

whole purpose of of the funding is to help them maintain payroll and maintain head counts and staffing levels to what they were before the before the pandemic there's no cost to apply there's no fees either from the SBA or from the lender and there's no requirement for collateral or guarantees things like that again it's it's a 1% loan it's got a duration of two years and most importantly for this if you use the loan for its intended purposes so you pay payroll you are allowed some other

eligible expenses like things like mortgage interest utilities rent agreements this loan can be fully forgiven and essentially just turned into a non-taxable grant now if you are a now I mean it says on the application form you know there's sole prop self-employed independent contractors they can all apply but just to kind of reiterate that here you know if you are reporting your business income on a Schedule C on your personal tax return you are eligible for this program even if you don't necessarily have a

bunch of employees same if you're an independent contractor you know if you're collecting 1099 s and using that to report your income you are you are eligible for this program even if you're a gig economy worker so you're just doing jobs through through uber or lyft or TaskRabbit things like that again you can apply for this program and you should the only stipulation here is that you have to have been in operation before the 15th and Feb of this year so if you started starting up in March unfortunately you don't you don't

qualify for PPP now if you are a sole proprietor so if you run a business by yourself you are a sole price even if you haven't necessarily let the IRS know yet now your business income is reported on your Schedule C on your personal tax return and it's this this net earnings this net profit which is gonna be the key thing for you in determining how much you can borrow through the PPP now because you don't necessarily have any w-2 employees that you're paying this net profit line is how you get that how you kind of

reach that maximum amount that you can borrow so you you look at your 2019 tax return and if you don't have that you can use your income statement from your financials look at that 2019 business net profit divided by 12 to reach your average monthly figure and then multiply that by 2.

5 and that is the maximum amount you can apply for do note here that if you if that net profit is over a hundred thousand this program only covers up to that a hundred thousand mark so it's capped at that so do do bear that in mind a couple of other points here is that if as a sole prop you can calculate the total amount you can apply for using both your your employee payroll costs and your net profit figure all goes into the calculation you don't have an employee's you can just use that net profit line another thing on this is that remember

that if you're paying independent contractors 1099 this does not count towards that towards that monthly payroll cost figure as independent contractors can apply separately also bear in mind this this is kind of one and this is kind of one wrinkle in this is that if you are a if you own a corporation and you are not so you should be paying yourself on on you to be paying your salary through payroll now if you're not paying yourself through payroll that salary is not eligible eligible to be covered by the PPP so in this

instance we recommend going down the route of the economic injury disaster loan rather than the PPP now if you are a an independent contractor in the eyes of the IRS you are essentially as a sole proprietor anyway so the the the calculation is broadly the same again you can just take your net profit as reported on your Schedule C and divide that by 12 bearing in mind the cap at a hundred thousand for the year to reach your average monthly payroll cost figure now if you if you haven't filed the 2019 you can always use your financial record

so your bookkeeping and you can you can even just use your 1099 s and just add up all your 1099 s for the year and and use that as a way to calculate how much you want to borrow now in terms of applying some of the financial records that you will need as you fill in the application you take it to your bank then you'll often need some supporting documents in order to kind of show to evidence what you have asked for in terms of maximum amounts so you will need things like your payroll processor records your payroll tax filings so

forms 949 forty one those 1099 s we are talking about and then also any records of income and expenses so any bookkeeping that you've got would be great to have here and as a last resort always just take bank statements that would be another option now in terms of how to apply again this is just done through your bank I would ring them up just check that they are actually offering these PPP loans as there have been some delays with some banks there's been some sort of problems with others so do double

check that they are in operation if you are a sole proprietor applications opened on the 3rd of April so you can apply if you are a if you are an independent contractor or self employed applications open on the 10th of April so key date there and again you are your encouraged to apply as early as you can this is a first-come-first-served program there are reports of additional funding being pumped into it so hopefully if money does run out there will be more available however do you think of this still as a first-come first-served and

do apply early in terms of what bench can do to help now we've mentioned a couple of things out it's gonna be important to have your financial record keeping now if you need and bookkeeping done for 2019 so you can show what your net profit line is we can absolutely help with that also as part of this program you're going to need to show over the two-month period that you have the loan exactly where you've spent that money so record-keeping is again gonna be super important so feel free to give us a call shoot us a message if you

want to talk about and getting that bookkeeping and span that is all for me on the PPP as it relates to independent contractors do please check the description at the bottom of all these videos we're updating our blog all the time there's and there's an ask on this very subject so Bench Co forward slash blog and we also host weekly webinar sessions including there's gonna be one on this on this subject as well all the details of that you can find below so do check it out but that's um that's all from me

thanks very much for watching thank you

1. How To Calculate Your Paycheck Protection Program Loan Amount - YouTube

**URL**

<https://www.youtube.com/watch?v=Oe6P0CUZrmc>

**Views and time:**

**1,300 views / 36 months = 36 views per month**

**Keywords:**

Paycheck Protection Program, Paycheck Protection Program Loan Amount, S corp, C corp, Seasonal businesses, Bench, Bench Accounting, PPP Loan, PPP, Partnership, Loan Forgiveness, PPP Loan Forgiveness, Seasonal Business, forgiveness applications, PPP forgiveness, COVID-19, small business, new ppp loan, ppp loan update, ppp update, ppp 2, ppp round 2, ppp round 2 self employed, ppp round 2 application, paycheck protection program application, paycheck protection program loan,

**Transcript:**

hi there everyone this is kiva from bench accounting today i'm going to be going over how to calculate your ppp loan amount these calculations are going to be based off of either your average monthly payroll costs or your average monthly self-employment earnings and this is going to depend on your business's filing structure today i'm going to outline the documents needed in order to determine the values for these calculations as well as some brief and simple examples for calculations for each filing

structure so let's get started first we will be discussing loan calculation for partnerships in the case of partnerships your self-employment income will be considered your individual salary you will find this reported on line 14 of your schedule k1 found on form 1065 and for every partner that has a 20 or greater ownership in the company you will need to report their schedule k-1 so self-employment earnings in this example for one partner is one hundred and thirty thousand dollars and for the other is reported as one

hundred and fifteen thousand dollars as mentioned previously the salary cap is one hundred thousand dollars so the total salary for both partners will be reported as two hundred thousand dollars in this case there are employees involved in the business so you will be getting the their total salaries from your payroll providers annual report and the total payroll costs for all employees are going to include state payroll taxes health insurance expenses retirement contributions sick and vacation pay as well as severance pay so once you have

determined this from your payroll provider's annual report you will be adding both the partner and the employee salaries together then you will divide this by 12 months which will give you your average monthly payroll cost then you will multiply it by 2.5 which will give you your ppp loan amount the loan calculation for s corps and c corps are solely based off of your payroll costs so it should be noted that any s corp or c corp that has not run payroll will not be eligible for the ppp program you are drawing

your annual payroll costs from your payroll provider should be noted that this total does include your own salary paid through a payroll provider owner draws as well as distributions do not count towards this calculation once you've determined your total payroll costs you will be dividing this by 12 months and then once again multiplying your average monthly payroll amount by 2.

5 for seasonal businesses loan calculation looks a little bit different you can choose any 12 week period between february 15 2019 and february 15 2020 to determine your loan amount in this example you run a business that operates from may to september every year in this case you choose to use may 2019 to july 2019 as the 12-week period for your loan calculation your total payroll cost for this period is 15 000 let me reiterate this is only for a 12-week period to determine your average monthly payroll costs you will be dividing your total payroll cost by three

and then multiplying that amount by 2.5 to determine your ppp loan amount so those are all of the examples that i have for you today if you require more information or are looking for more details a full description of how to calculate your ppp loan amount can be found on our bench blog the article name is how to calculate your ppp loan amount for more updates and developments in the ppp program please follow us on twitter or subscribe here at bench accounting have a good rest of your day bye

1. How to Calculate a 25 Percent Reduction in Gross Receipts for a Second PPP Loan - YouTube

**URL**

<https://www.youtube.com/watch?v=BKC3-kGxAcc>

**Views and time:**

**7,200 views / 36 months = 200 views per month**

**Keywords:**

Paycheck Protection Program, Paycheck Protection Program Loan Amount, Bench, Bench Accounting, PPP Loan, PPP, Loan Forgiveness, SecondPPPLoan, paycheck protection program application, paycheck protection program application form, paycheck protection program, paycheck protection program loan, 25 percent reduction, ppp update, ppp round 2, second ppp loan, second ppp loan update, ppp 2, covid 19, bench accounting, bench accounting bookkeeping, ppp 2.0, how to apply for ppp 2,

**Transcript:**

hello everyone my name is james i'm down here in the bottom right of your screen this is a short video that's going to show you how to calculate your 25 reduction in gross receipts uh for a quarter in 2020 compared to the same quarter in 2019 therefore this video is only relevant to you if you have completed your 2019 and 2020 books and if you are applying for a second ppp loan if you're applying for a first ppp loan this video is not for you fantastic first step we'll go to the income statement

now we're going to select the date so let's go to 2019. for this example i'm going to use q2 of course the same steps apply for any of the other quarters so let's go to q2 fantastic now i'm going to download these numbers uh into an excel document just makes it easier to see and we'll do the same for 2020 let's switch to 2020.

here we see income statement q2 2020 perfect download those as well and we'll open those up and we will get this so here we see q2 2019 q2 2020 the number that you are looking at that is important to us is this line here the total revenue line um this is the 2019 number this is your 2020 number uh a particular note you'll see the returns and allowances here is a negative number so which is fine uh this just means that this this gross receipts number is a culmination of all the income that you've received

during the quarter minus returns allowances discounts so all of those returns and allowances and discounts will be captured in this ledger here and this is the number that equals your gross receipts in 2020 we have a very similar thing with the returns and allowances we also have this grants received ledger and a ppp loan forgiveness ledger i'm going to talk about those right now actually so i've pulled all this information into a word document you can make the following calculations in the excel document of course as well if you wish

just to reiterate uh gross receipts in in according to the sba means all revenue in whatever form received or recruit from whatever source including from the sales of products or services interest dividends rents royalties fees or commissions reduced by returns and allowances which was which is what i was mentioning earlier so here we have for q2 2019 we have that 54 720 that's fantastic in q2 2020 we have this number here the 42 000 but a large sum of that is from this ppp loan forgiveness uh adjustment and this one thousand

dollar grant notice this clause here do not include any relief received in 2020 in your gross receipts in this case relief is referring to any grants forgiveness loans that you may have received that are related to the uh the covet 19 pandemic so we need to delete these from our gross receipts for q2 2020 otherwise our number will be artificially inflated so once we've subtracted these relief relief funding here from our total of forty two thousand we end up with twenty thousand three hundred two dollars and fifty cents

to find out if that is a 25 reduction we take the q2 2020 divide it by the q2 2019 and we get 0.37 this means that the in q2 2020 we've received only 37 percent of the revenue compared to q2 2019 meaning that this client experienced a 63 reduction in gross receipts for q2 2020 compared to q2 2019 making them eligible for a second ppp loan please note that if you do not subtract these numbers here the the loan for ppp loan forgiveness amount or the in this case the one thousand dollar e i e-i-d-l grant then you this quarter would make it look

like you were in eligible for a ppp loan so make sure you make sure you catch this and you can subtract this from your total of gross receipts for the q2 2020. fantastic last point i want to leave you with is when you apply for a second ppp loan you do not need to show proof that you've that you have indeed experienced the 25 reduction you only need to certify that you have so what once you have completed these steps you can uh in good faith certify that you have experienced 25 reduction in gross receipts for that quarter

and when you apply for forgiveness on that loan you will have to provide documentation for it and the excel documents that we just downloaded together uh backed up by bank statements for those quarters will be should be enough to prove that you did indeed experience that 25 reduction fantastic i hope this video was helpful and have a great day

1. PPP For Self Employed: How to Calculate PPP Loan Amount Using Gross Income - YouTube

**URL**

<https://www.youtube.com/watch?v=dazqxs9eac0>

**Views and time:**

48,000 views / 36 months = 1,333 views per month

**Keywords:**

Paycheck Protection Program, Paycheck Protection Program Loan Amount, Seasonal businesses, Bench, Bench Accounting, PPP Loan, PPP, Partnership, Loan Forgiveness, Biden&#39;s PPP Loan, PPP Loan Forgiveness, Seasonal Business, forgiveness applications, PPP forgiveness, paycheck protection program application, paycheck protection program loan, paycheck protection program application form, paycheck protection program loan application, self employed, self employed ppp loan, ppp update,

**Transcript:**

hi everyone my name is declan and i'm a financial relief specialist here at bench accounting in this video i'm going to be going over some of the sba's new guidance surrounding how self-employed individuals will be calculating their ppp loan amount as a quick note right off the bat i wanted to mention that these changes will not be retroactive meaning that if you've already received a ppp loan you will not be able to take advantage of this new calculation method that being said if you have an application that is yet to be approved

by the sba you can reach out to your lender to see if it can be cancelled or withdrawn and then reapply however with that march 31st deadline for ppp applications approaching there is always a risk that funding will run out before your second application is processed the guidance indicates that a self-employed individual meaning someone who files irs form 1040 schedule c generally sole proprietors and 1099 contractors may now elect to calculate their loan amount based on their gross income minus employee payroll costs for those with

employees or just their gross income for those without employees now the sba has defined gross income as the amount the borrower reports on line 7 of their schedule c and employee payroll costs as lines 14 19 and 26 of the schedule c now as the majority of schedule c filers don't have employees they will simply be using line 7 of their schedule c to calculate their pp loan amount now i'm going to go over how to calculate your loan amount as a schedule c filer both with and without employees so without employees

you're going to take your 2019 or 2020 schedule c and decide to use either net profit line 31 or gross income line seven you're then going to divide that amount by 12 to find your average monthly net profit or gross income and then multiply by 2.5 another important note is that this amount cannot exceed 20 833 as that's the max loan amount for self-employed individuals without employees now calculating your loan amount if you do have employees is a little bit more complex you're going to take your 2019 or 2020

schedule c and decide whether you want to use your net profit line 31 or your gross income from line 7 minus those employee payroll costs and then you're going to add gross wages tips employee contributions for health insurance employer contributions for employee group health life disability vision and dental insurance as well as retirement contributions and state and local taxes assessed on employee compensation so add that all up and then divide by 12 and then multiply that amount by 2.

5 and you'll get the loan amount owner's compensation has also changed now for those using net profit to calculate their loan amount ocr will still be calculated using 2.5 months worth of your 2019 or 2020 net profit and this will cover your entire loan if you don't have an employees however for those using gross income to calculate their loan amount ocr is being replaced by proprietor expenses now you can claim 2.

5 months of business expenses plus owner's compensation as proprietor expenses which are eligible for forgiveness and as this amount is capped at 20 833 which is of course the max loan amount for those without employees it will function very similarly to ocr meaning that if you do not have employees it will still cover the entirety of your loan now make sure you keep an eye on our ppp loans small business resource hub for further updates in the coming days you'll find a link for that in the video description and thanks a lot for

watching

1. Why You Should Definitely Apply for the PPP: Myths and Misconceptions Debunked - YouTube

**URL**

<https://www.youtube.com/watch?v=NxkDB1ha4Do>

**Views and time:**

**924 views / 48 months = 19 views per month**

**Keywords:**

PPP, COVID-19, small business, forgiveness, paycheck protection program, bookkeeping, payroll, covid-19, covid-19 relief, ppp loan, new ppp loan, ppp loan update, ppp loan forgiveness, ppp update, ppp 2, ppp round 2, ppp round 2 self employed, ppp round 2 application, ppp, paycheck protection program application, paycheck protection program loan, accounting basics, accounting, financial accounting, basic accounting for small business, bookkeeping basics, ppp loans, ppp application,

**Transcript:**

hey everyone my name is Brennan I'm a member of the client relief team here at bench and I've currently been engaged in multiple her social platforms such as YouTube Facebook and Instagram and I've been seeing a lot of comments and questions around the PPP in particular some comments and questions have kind of made me realize there might be some myths or misconceptions around the PPP application and forgiveness that it really wanted to address because it seems to be pushing some people to not actually apply and take advantage to

this relief fund so regardless of whether you're thinking that the PPP isn't a good fit for the business so that the ship has sailed and you've missed out on those PPP funds I just wanted to address some of these questions and make sure that you're staying informed and aware of how applicable the PPP might actually be for your business so let's go through some of these comments here and see what people are saying the first one here the money was handed out to big businesses and chain businesses not a dime will be

left for small businesses another comment was expanding on that no point in applying didn't even get a response from the first round yeah so that first round of funding was a bit of a wild west of lawlessness it was a lot of people trying to hit a moving target as they're trying to change up guidelines I remember there was one day in particular I was looking into some NBA news and I came across a post that said that Los Angeles Lakers were actually approved for the PPP loan as if LeBron James needed his salary to be subsidized

you know funds were running out fast in that frenzy of lawlessness and we were preaching a high sense of urgency to our clients and applying but fortunately the second round of funding is actually been going a lot smoother not only has there been that top-up of funds but there was actually a lot of clawback from those big businesses like the Los Angeles Lakers that have really invigorated the funds and made them more widely available for small businesses they also took a portion of that PPP funding and made it dedicated to just smaller local

banks to make sure that it was available to the smaller businesses that would be working with them and beyond that I last I checked this morning there was around 150 billion dollars left of PPP funding that's still available across the two rounds so you can take your time make sure you put together a strong application get your documents together and take advantage that PPP funds at your own pace you don't need as much of a sense of urgency this time around some more comments here can you only apply to the

PPP if you have employees what if you're a solo operator and another person was frustrated saying so because you own your own business you can apply for the PPP and I think it can really boil down those two comments into one misconception which is if you don't have payroll you're not eligible and this is actually not the case if you're self-employed you are still protected I know that it can be a little misleading the naming of the loan paycheck protection program it makes it seem like you have to be running payroll and

providing paychecks to be protected and beyond that there's that 7525 rule where at least 75% of the funds need to be used on payroll expenses specifically so it may seem like you're actually not eligible just from that in itself but the application is actually open to people such as sole proprietorships or partnerships that are not being paid through payroll those types of businesses are actually going to be eligible for a loan amount dependent on their 2019 net income so the forgiveness is also going to be based on that as

well you're going to be able to take 8 weeks worth of that 2019 net income and have it forgiven just automatically so that makes it actually a really beneficial loan to have as a sole proprietorship or as a partnership the remainder of the loan still has to be used for the outlined expenses such as rent lease and utilities but it's actually easier than ever to get funding as a sole proprietorship or a partnership without payroll and it's easier than ever to get forgiveness on it as well so definitely still follow

through on that if you're a sole proprietorship or a partnership you don't have to worry about running payroll to actually get a PPP loan we also had some comments that were building off of that someone was saying our lyft drivers eligible and another person was talking about their experience I was getting contract work from a company that received a PPP and now they can't use it to pay contractors what about me so yeah that second point in particular at one point contracted expenses were actually permissible as payroll expenses

and that was changed at the last minute during the round one of funding so a lot of businesses thought they were going to get funding to actually cover those contractor expenses the reason why contractors are now no longer eligible is a favorable expense is because contractors are actually eligible to apply on their own they'll be applying using their 1099-misc forms so if you're doing contract work for a business or if you're doing contract works through say TaskRabbit or Fiverr and yes this does

actually apply to the uber and lyft drivers as well you can still apply on those 2019 earnings as reported on your 1099 misc forms similar to how a sole proprietorships can apply using their 2019 net income as reported on their Schedule C some other comments here since lenders are handling the forgiveness application why would they approve you to give you money another one here saying I'm in the restaurant industry and can only bring back employees for takeout orders I'm already hurting and it can't afford to

use the PPP only to get rejected and then have another loan to pay off and I think these two comments are really touching on the same thing which is they don't want to be pursuing the PPP because they're afraid that they won't be eligible for forgiveness or they won't receive forgiveness in that first comments case however forgiveness is actually more lenient than you might think it is it's not a binary case of I'm gonna get approved for forgiveness on the entirety of the loan or get

nothing it's more of a sliding scale it's reduced proportionately so while you may not receive forgiveness for the entirety of the loan you can still receive forgiveness for a portion of it and this is why I want to push a lot of business to apply for the PPP is because you know even if you don't get forgiveness for the entirety of the loan amount the portion that you do get forgiveness on is still going to be an incredibly valuable resource as a tax-free grant the payment terms of the PPP are very light they're 1% interest

over two years first six months deferred so if you've applied for forgiveness and you don't receive forgiveness for the entire amount you can pay down that remainder balance it like pretty much no cost so I'm trying to prove businesses to really consider that PPP as a tax-free grant that gets reevaluated after that eight-week period and you just have to pay back the portion that you've been really at it's not be used for the correct expenses or whatever that way like you're still approaching it as like a tax-free grant

for your business just it might not be that full tax-free grant that you expected and you just have to continue using the funds for the applicable expenses to ensure that you are being compliant with the rules there we've also received comments here such as I can't take another hard inquiry hit to my credit I'm scared to reapply yeah that's a tough one and I might get audited so who really needs it when the penalties are so severe so both of these are kind of touching on you know they're

they're afraid to get audited they're afraid to make it a credit check they're afraid of like what this could potentially mean for the business in terms of penalties or like a cost that isn't really explicit however for the credit score the credit check is actually not necessary as part of the PPP application you don't have to worry about that they're not going to check your credit for a PPP loan and as for the auditing right now they're currently only looking to audit loans greater than

two million dollars they're gonna assume that anything less than that is being used in good faith this may change once it comes time to actually be processing the forgiveness applications they will still want to be verifying that you're using it for the right expenses so if so if you can't really use it for the correct expenses then it might not have as much value to you but you don't have to worry about being audited or a credit check at least not at this point some more comments here I've received the PPP

after getting a profile approved for the Eid L how can I contact my lender to give the PPP back another comment saying is any portion of the PPP forgiven or is it just the Eid L amount so both of these are touching on that a IDL loan and both of these are actually wrong perceptions of the landscape because the Eid L and the PPP are meant used together they were designed that way when you fill out a PPP application they're going to be asking you for that iid L loan amount as well as the grant amount and it's going to be taken into

consideration for the amount on your application as for as for contacting the lender to give the PPP back yeah you don't have to worry about that if you have an e ID l you shouldn't let having one influence your application for another and outside of just recording the amounts and in terms for forgiveness it's very explicit on the forgiveness application how the Eid L is going to be taken into consideration when it comes to calculating your forgiveness amount so yeah don't worry about that and don't let having one affect your

decision-making with the other the only thing to take into consideration is don't use both loan amounts or don't use the grant and the PPP for the same expenses that's where it gets a little bit muddy it's a lot more explicit in like if you're using if you have a PPP don't use the idle for for payroll expenses or rent or utilities that which would be covered by the PPP so we've got some more comments here that were just very frustrated with that first round of funding my bank is closed and I can't

submit an application my bank stopped taking applications and then another person heard or sorry submitted an application to my bank but never heard back all very frustrating cases when the PPP is meant to be available to small businesses how in helping you out but before that second round of funding was released the SP actually did something that kind of caught me off guard which was they started working with fin tech companies to make PPP loans available more on mass and more widely available online so you

can actually start looking at the PPP application processing application and submitting an application online all from the comfort of your home you don't have to go outside and break quarantine rules and not only that the applications are built to be as straightforward and streamlined as possible it's going to show you which documents collect and why that information is pertinent so you can get started on on an applique with the lender like bluevine right away we actually work with bluevine we have a

landing page for them that walks you through all the documents you need and all the steps we even have a video walkthrough of how to fill out that application we want to make sure that there is as low of a barrier of entry as possible to applying for a PPP and getting that funding you need and beyond that if your bank stopped taking applications or if you have a submit an application that was submitted to a bank you can still apply elsewhere you can still apply to someplace like blue vine the only thing that's going to prevent

you is if you've already received an e Tran number once you've received that a Tran number basically the funds have already been committed to you and you're going to be getting the funds from there that next application you submit will be automatically rejected so those were a couple of the comments that I saw that I really wanted to address and make sure people were aware of the actual landscape I hope this helps you and I hope this keeps you informed and I really hope that this pushes you to apply for the PPP it's something I want

every single business to take advantage of because even with this economic reopening who knows how long it's gonna take to really bounce back to full strength and these PPP funds could go a long distance and making sure that you're sustained over that period of time anyways that's everything that I had for today hope this helps and I'll talk to you again soon

1. How to Apply for Your First PPP Loan As An S-Corporation or C-Corporation - YouTube

**URL**

<https://www.youtube.com/watch?v=Et_N7VgN5Hw>

**Views and time:**

**3,100 views / 36 months = 86 views per month**

**Keywords:**

PPP Loan, PPP, PPP Loan Forgiveness, Paycheck Protection Program, forgiveness applications, PPP forgiveness, paycheck protection program, COVID-19, small business, new ppp loan, ppp loan update, ppp update, eidl grant update, ppp round 2, ppp round 2 self employed, ppp round 2 application, paycheck protection program application, paycheck protection program loan, sba ppp loan, sba ppp, eidl update, s corp, s corporation, bench accounting, c corp, c corporation, first ppp,

**Transcript:**

hello everyone my name is noor and i'm a member of the client research team at bench accounting today i'll be going over how to apply for your ppp loan as a first-time borrower this application walkthrough is specifically for s and c corporations let's begin so start by selecting the business structure that best represents your business in this case choose s corporation or c corporation as indicated in the red marker you are then required to provide both your business legal name and your dba or trade name if applicable

your business legal name is found on any government forms a dba or trade name is what appears on bank statements or invoices if it's different than your business legal name your business address is also found in these documents you can then find your naics code on a website like naics.com these co these codes are self-assigned meaning you pick the code that best suits your business rather than having one assigned to you later on you're going to be adding your employer identification number or your social security number

these would be found on previous tax returns then provide the name business phone and email address of the primary contact for the application this will be who all future communications are directed to this next section is going to be how we calculate and determine your eligible loan amount so your loan amount calculation starts with finding your average monthly payroll costs your average monthly payroll cost can be calculated using one of the following it's either going to be the calendar year of 2020 or it's going to be the calendar year of

2019. once you've chosen the time period you want to use you'll add up the payroll costs for all employees whose principal place of residence is in the united states keep in mind that payroll costs include salaries wages commissions or tips employee benefits including paid leave allowance for separation or dismissal health care benefits including insurance premiums and retirement benefits and state and local taxes you will then subtract any compensation pay to an employee in excess of one hundred thousand dollars

this step is required because the ppp sets a cap on salaries of one hundred thousands per employee for example if you have two employees earning one hundred and twenty thousand dollars over the year subtract forty thousand dollars for your payroll total you can then divide the total amount of your net profit after adding all the amounts that listed above like listed earlier by 12 by 12 months and put it in the average monthly payroll box over here once you have your average monthly payroll cost multiply that by 2.5

and this will be the loan request amount over here and once once you have that amount you have to add up all the employees across all locations and affiliates and put it on the number of employees box so for the purpose of the loan you need to check all the all boxes that apply so if you're going to be using the ppp loan for your rent or a mortgage interest you'd have to take that for utilities payroll costs cover property damage covered supplier cost etc and the next slide would be filling in all the owner's ownership percentages this would

be for the list of all the members of the ownership that hold 20 or more of the business so you just have to add all the information that's stated in the application we will then reach the questionnaire section answer each question and initial where indicated just keep in mind that answering questions answering yes to questions number one two five or six will mean you are ineligible for a ppp loan the numbers are one two five or six after that we're gonna reach this page so that's gonna be page two of the

application form there are ten statements each statement must be signed to certify you're applying in good faith that these statements apply to your business so signing any of these statements later found on true can result in penalties through imprisonment or fines after filling in all this information you'll be able to submit your application through your lender's lenders portal of course there's an exception that they request for their documentation as each lender varies so do keep in mind that whenever you are

at the last page or the last um step of your application you have to check back after you submit it to see if there are any pending tasks because this could hinder the process of your application getting approved so keep them keep on top of your email address like email notifications and keep checking your portal to see if there are any missing documents that you need to submit and this is going to be the end of our walkthrough good luck with your application

1. 8 Bookkeeping Tips To Simplify Small Business Finances - YouTube

**URL**

<https://www.youtube.com/watch?v=rrSOKWI9k7Q>

**Views and time:**

**21,000 views / 36 months = 583 views per month**

**Keywords:**

No keywords

**Transcript:**

small business bookkeeping is a necessary task but if it's not your favorite activity you're not alone admiring your profits is always fun but going over ledgers and calculators maybe not as much if you want to crunch the numbers a bit faster so you can get back to the more exciting parts of your business we have a few bookkeeping tips to help you simplify and speed up the process make bookkeeping part of your routine diy bookkeeping is simplest when you break it into manageable chunks don't try to do it all at once as much

fun as last minute panic fueled bookkeeping cram sessions can be right before tax time you can do your future self a favor by taking care of your routine bookkeeping tasks every week start by learning the basics of bookkeeping get in the know with your how-to guide to bookkeeping basics for small business owners we've linked it in the description below then block out an hour on your calendar every week for bookkeeping during the hour you can work through a checklist of routine tasks these tasks include the following check

on invoices and record payments review and pay expenses and invoices balance the business checking account categorize expenses and incoming payments record and file all receipts and documents and compile and review your financial statements when you finish your checklist you should be up to date with your current records a bit of work every week will ensure you to have clean books all year best of all it doesn't feel like you're working when it's part of your small business bookkeeping routine separate personal and business finances

keep your finances separated when your business income mixes with your personal accounts it doesn't make more money it just makes more of a mess muddled accounts require extra time and energy to sort through so skip the confusion and keep it simple by maintaining separate bank accounts one for your personal expenses and the other for your business if you've never set up a business account before getting started is easy first find a bank that offers the best fit for your business's needs even if you already have a relationship

with the bank it doesn't hurt to consider other options your priorities may vary but consider looking for an account that offers no or minimal bank fees once you've chosen your bank you can set up a new account quickly and easily your business bank account will allow you to set up a debit card for any online payments or purchases most importantly all of your business transactions whether online through debit cards or via checks will be reflected in the same account which will simplify the reconciliation

process separating your accounts does not mean that your business doesn't pay you of course you can withdraw a regular salary from your business or if you're the sole proprietor pay yourself using the draw method these withdrawals also known as an owner's draw are easy to track and document in your bookkeeping whether you pay yourself officially by draw or salary those transfers should be recorded in your business account statements when you've separated your accounts bookkeeping is as simple as linking your

business account to your accounting software when you check your single account during your weekly bookkeeping session it should be a breeze to categorize the purchases and record the payments no parsing or fine-tooth combing required document everything let's just get this out of the way the irs can audit you for up to six years that means clean records are critical storing those records for at least six years is also important but ultimately maintaining a reliable accounting for debits and credits is what lets you sleep peacefully every

night form a habit of documenting everything save receipts jot down notes about purchases and expenses and throw them into that file document every single cash purchase issue your own receipts for all purchases develop a storage system and naming protocol for invoices for seats and records it might even be time to invest in a receipt scanner app if you're wondering which expenses to keep track of remember document and store information on every transaction involving money time or goods record and categorize your

documents every week during your weekly bookkeeping session quick regular audits of your documentation and transactions will ensure that you'll never have a stressful night's sleep well at least as far as your books are concerned monitor accounts receivable monitoring your accounts receivable is the easiest most enjoyable of small business bookkeeping tips counting your money is always fun make a point of monitoring your accounts to be sure that all of your invoices are being paid especially if your work comes before the

client's payment it's easy to get distracted and to forget invoices from previous clients when you're busy starting the next project your weekly accounts receivable tasks should include sending invoices clearing paid invoices recording and tracking payments noting cash payments to ensure a clear document trail following up on any unpaid invoices keep track of cash payments cash may be king but it needs a bit of extra attention when it comes to do-it-yourself bookkeeping you don't ever want to lose

track of your cash and unlike checks or online payments cash doesn't come with handy documentation that means there's no paper trail until you create one thankfully once you have a simple system in place documenting your cash flow is easy there are two ways to handle cash payments with the first you'll create a receipt with every cash payment you receive use a receipt book that makes immediate duplicate records so you can write a quick receipt for a customer and keep the record for yourself if you don't carry a receipt

book with you everywhere you go you can easily rely on technology keep track of your cash using cloud software that links through multiple devices like your phone or laptop this way your cash tracking document or app is always readily accessible you can use your streamlined online system to know how much cash is exchanged and why when you make a cash payment ask for your receipt to support your record keeping when you update your transactions later routinely cross check receipts and cash flow during your weekly bookkeeping session to keep your

cash systems polished and up-to-date consistently review financial reports when you're updating your numbers every week you can pull reliable financial documents at any time straightforward accounting software allows you to view your income statement and balance sheet at the click of a button want to know how you're doing this year this quarter today find out immediately when accurate financial reports are so readily available it only makes sense to check them routinely in order to take the temperature of your business

consider adding this to the final tasks on your weekly bookkeeping check-in after you've entered your transactions and double check your documentation run a quick report share with others who like to see how much money you're making and then get back to work few things are quite as motivating as weekly income statements get automated nothing simplifies your life like automation unless you're dying to break out adding machines and slide rules feel free to take advantage of the many bookkeeping apps and softwares on the

market with the right combination of banking and accounting apps you can skip most of the straight data entry required for bookkeeping once you find the right software for your needs your bookkeeping tasks shrink substantially instead of entering every transaction you're simply double checking them if you're interested in learning more check out the bench guide on how to automate your small business linked in the description below let someone else handle it you know what's even better than using software to automate your bookkeeping

letting a professional bookkeeper handle it your business requires your full attention and sometimes your best choice is the easiest one outsource the tasks that you don't have time for so you can focus on the work that really matters to you a professional bookkeeper won't be overwhelmed by the nuts and bolts of diy bookkeeping and their help allows you to focus on making money and not documenting it if you're not sure if you need to bring in an expert's help yet check out the bench blog for a sign you need to hire a

professional bookkeeper we've linked it in the description below when you sign up with bench you'll get an easy to use platform and direct access to your in-house small business bookkeeping team the return on investment with a dedicated bookkeeper may surprise you plus when it's time to file your taxes you can take comfort in knowing that your finances and documents are 100 correct and ready to be handed off to your accountant simplify automate and ultimately delegate your bookkeeping you'll get the time and energy back for

your tasks that only you can handle after all isn't this why you started your business be sure to check out the bench blog for more small business resources and bookkeeping tips have a helpful tip we missed let us know in the comments below best of luck on your business and happy bookkeeping and hey if you like this video subscribe for more

1. Bookkeeping Basics for Small Business Owners - YouTube

**URL**

<https://www.youtube.com/watch?v=W-ajzzE_upM>

**Views and time:**

**1,400,000 views / 72 months = 19,444 views per month**

**Keywords:**

bookkeeping, business, finance, taxes, small business, entrepreneur, accounting, bookkeeping 101, small business finances, bookkeeping basics, how to manage your small business finances, plan small business finances, the business, business advice, bench accounting, accounting 101, accounting basics, financial accounting, how i run my small business, how to start a business, accounting basics for beginners, accounting basics tutorial, accounting for beginners, finance major,

**Transcript:**

if you're a small business owner and you want to do your own bookkeeping but don't know how this video is for you consider this your bookkeeping 101 crash course here at bench we've done the books for thousands of small businesses bookkeeping may not be the most exciting thing ever but we've got it down to the science in this video we'll teach you what bookkeeping is why bookkeeping really matters and the seven steps to doing your own bookkeeping bookkeeping is defined as the process of tracking all

of your company's financial transactions so you can see exactly where your business is spending money where your revenue is coming from and which tax deductions you'll be able to claim that's a lot of words but why does bookkeeping matter for your small business number one bookkeeping matters because it helps you catch more tax deductions when you record and categorize every transaction in your business you'll be able to see which expenses are tax deductible so that nothing falls through the cracks without

year-round bookkeeping you'll forget about one-off deductions like lunch with a client eight months ago that you could have deducted even with the best of intentions deductions will always all through the cracks at tax time unless you have bookkeeping in place number two bookkeeping matters because it can help you get a business loan if you're applying for a small business loan banks are going to need to see financial statements and I don't just mean the type that you can download from your online banking you're going to need to

have something that shows your expenses and revenue otherwise known as an income statement this is something you're going to be able to get through bookkeeping number three bookkeeping matters because it can help you catch financial mistakes when your bookkeeping you're keeping a close eye on the transactions in your business which means you'll be able to catch things like Bank errors invoicing mistakes like paying somebody twice and sneaky subscription fees for services that you forgot to cancel number four bookkeeping matters because it gives you

a clear picture of where your money is going when you have bookkeeping in place you'll be able to keep track of your expenses so you can budget better you'll also be able to understand your cash flow so you can see what's an expense versus a payment to a loan or a credit card you'll also be able to track how your businesses grow and improving over time and what months are busy and slow this will help you plan for the future don't worry about taking notes everything we're about to say is in our guide bookkeeping basics

for entrepreneurs you'll find the link in the description below now the first step to doing your own bookkeeping is separating your business and personal expenses you'll want to make sure that your business and personal transactions are not intertwined so it's clear to the IRS what your business is earning spending and then what your bottom line net profit is this is especially important for C corporations to have separate bank accounts for business and personal finances see Corpse open themselves up to legal problems when

their finances aren't separate from personal transactions the second step is to choose between single entry or double entry accounting double entry is a system of accounting that tracks where your money comes from and where it's going to essentially you record every transaction twice taking assets from somewhere called a credit and putting it somewhere else called a debit your debits and credits should always equal each other that's how you know that your books are balanced for example say you buy a new laptop for your business and

it costs $1000 you'd subtract $1000 in cash from your credit account and add $1,000 in assets to your debit account you may have lost $1,000 in cash but you gained $1000 in the form of a new asset double entry accounting is kind of like double checking your homework and helps you create financial statements which you'll need to make smart financial decisions so what is a single entry method it's essentially just recording your transactions once as they happen it's less robust but if your business is a simple sole proprietorship with no

inventory and no employees you can probably use the single entry method if your business is any more complex than that your accountant will probably recommend the double entry method the third step is choosing between the cash versus accrual method of accounting on a cash basis you only recognize revenue when you receive it for example when you deposit the check into your account on an accrual basis you recognize revenue when it's earned for example once you complete a project and write the invoice if you're a small business or just

getting started you can probably use the cash method it's easy to switch from cash to accrual if you need to if your business is more complex for example if your business more than five million per year in revenue or if you manage large assets or investments you'll probably need to use the accrual method either way you should talk to your accountant to figure out which method will be best for your business step four is to choose a bookkeeping system your options are to do it manually using something like Excel or just paper or use an accounting

software if you do it in Excel you can use something like our free income statement template for a simple bookkeeping setup all you have to do is enter each transaction as it happens if your bookkeeping means are straightforward this is the easiest cheapest way to go you can download this excel template by clicking the link in the description below if you choose to use accounting software there are a few options for small businesses such as QuickBooks Xero or wait you'll pay a monthly fee for the software which you can use to produce simple financial reports keep in

mind though you may need to have an accountants help to learn how to properly use the software step 5 is to categorize your transactions categories are essentially classifications for your transactions to understand what you're spending on these types of categories can help you understand what your tax deductions are not all transactions are equally tax deductible so you'll want to know what you're spending on office supplies versus what you're spending on meals for example if you buy a box and pens for the office you'll categorize it

as office supplies at the end of the year you'll be able to see the total amount you spent on office supplies and you'll be able to deduct that cost on your taxes step 6 is to organize and store your documents you need to keep records for your bookkeeping but there's a bit more to it than just storing all of your receipts in a shoebox there are two important rules for your record-keeping rule one if the expense is over $75 you should keep a record to prove the expense rule two you should keep every receipt and financial record

for three years as for actually keeping the records we recommend storing them digitally the IRS is totally fine with that and it's an easy away for you you won't need the receipts to actually file your taxes but you will need them if you get audited some tools you can use to keep your records digitally include receipt banks Evernote and shoebox finally the last step is to make it a habit what keeping isn't the most exciting thing but if you do it consistently you'll have smart financial

insight into your business every month of the year and you'll save yourself a lot of time and headaches come tax season at minimum we recommend entering in all your transactions at least once a month block out a recurring time in your calendar and do it somewhere fun like a coffee shop or do something relaxing like putting on netflix while you do the work the more automatic your bookkeeping habit the easier your tax season will be nobody likes a stressful bookkeeping binge now should you do your own

bookkeeping or hire someone else to do it for you doing your own books is free that's the biggest draw but it can be complicated time-consuming and can take you away from running your business if you're interested in doing your own bookkeeping click the link in the description for a free income statement template created by our expert in-house bookkeepers here at bench if you decide to hire someone to do your bookkeeping it helps save you time gives you confidence your books are being done properly and makes tax time a

whole lot easier if you aren't sure who to hire check out bench or the largest bookkeeping service in north america and we'd love to do your books for you and that's it from us here at bench good luck on your entrepreneurial journey and happy bookkeeping

1. Accounting Basics For Small Business Owners - YouTube

**URL**

<https://www.youtube.com/watch?v=pqkdCM47hpg>

**Views and time:**

158,000 views / 36 months = 4,389 views per month

**Keywords:**

bookkeeping, finepoints bookkeeping, bookkeeping basics, bookkeeping business, accounting, accounting basics, accounting 101, financial accounting, accounting basic, accounting basics for beginners, small business, how i run my small business, accounting basics for small business, basic accounting for small business, basic accounting small business, accounting for business owners, understanding small business accounting, online bookkeeping, online bookkeeping service, bookkeeper,

**Transcript:**

[Music] hey there aiden from bench accounting here today we're going to talk about the basics of small business accounting by the end of the video you'll have a big picture overview of how to manage your business finances properly and how to outsource the things you're not good at let's jump in first what is accounting accounting is how your business records organizes and understands its financial information you can think of accounting as a big machine that you put your raw financial information into

things like your business transactions taxes projections etc that then spits out an easy to understand story about the financial state of your business accounting tells you whether or not you're making a profit what your cash flow is what the current value of your company's assets and liabilities is and which parts of your business are actually making money basically accounting matters because it's how you tell whether your business is winning or losing it's how you make good business decisions

and without solid accounting in place you won't be able to file your taxes or get a business loan what does accounting involve exactly you could probably slice this a dozen different ways but we've boiled small business accounting down to five main areas managing your money things like managing your bank accounts credit cards loans etc bookkeeping recording and categorizing your financial transactions financial statements turning your bookkeeping into financial reports making business decisions reading your financial reports and

making changes to your business prepping for tax season we'll go over each of these in detail first managing your money this doesn't have to be complicated there's one main rule you need to keep in mind always keep your business and personal finances separate when your business and personal finances are all mixed together this makes bookkeeping and taxes very difficult when you're reviewing the month or the year trying to figure out whether that chipotle lunch was with a client or just with your friend

your jumbled credit card statements won't help you even more importantly mixing business with personal could hurt your business legally if you're a corporation corporations have legal protection that protects the owner's personal assets but when financial lines get blurred that protection gets harder to defend in court so how do you keep your finances separate three main things one open up a separate business checking account and only use it for business transactions two never use your personal credit for

business transactions instead apply for a business credit card three try not to use cash to pay for business things and if you do take the money out of your business checking account get a receipt and keep track of the purchase the second aspect of accounting is bookkeeping we covered this in depth in a previous video so we'll keep this short basically what you need to do with bookkeeping is record every financial transaction and categorize it let's go back to our chipotle example let's say you have lunch at chipotle

with a client where you talk about the project you're working on for them after lunch you grab the receipt at the end of the week you'd record the lunch in your bookkeeping solution of choice you could do this in an accounting software or even an excel file we have a good excel accounting template you can download in the description below here's what you need to record with every transaction what the purchase was where you purchased it from the amount the date and the category for example revenue soap or expense business meals

if you can record and categorize every financial transaction you're 80 there this is where the concept of double entry accounting and debits and credits come in you might have heard of these because they come up all the time in accounting conversations here's a super quick summary double entry accounting is the act of recording every financial transaction twice once as a debit and ones as a credit basically when one category goes up another category goes down it can be confusing remembering what to debit

and what to credit one accountant summarizes it like this debit all that comes in and credit all that goes out the third aspect of accounting is preparing financial statements there are three main financial statements the balance sheet the income statement and the cash flow statement financial statements tell you the state of your business they are super important if you want to get a loan or sell your business you'll need financial statements but even more importantly they tell you how your business is doing

so you can make decisions here's a super quick summary of financial statements the balance sheet summarizes your assets liabilities and equity basically how much you own how much you owe others and how much is left for the owners the income statement summarizes your revenue expenses and profit or loss basically how much money you made in a particular time period the cash flow statement shows you how much cash you have on hand in a particular time knowing how much money you made is important but you really need to know

how much cash you have today to pay your bills if you've done your bookkeeping properly since the beginning of your business and you know your way around accounting software you can make these financial statements yourself however most business owners don't have this level of financial savvy that's okay you can get a bookkeeper to do it for you for example here at bench we do the books for small business owners and send them key financial statements each month actually we just upload it into the bench app so you can log in and view

them anytime the fourth aspect of accounting is making business decisions once you have financial statements in your hands you can start making real business decisions based on the financial information you're seeing let's start with the balance sheet let's say you're the ceo of disney and you're reading the 2018 balance sheet for disneyland here's what you'd see there's a lot we could say about this balance sheet but to give you an idea of the kind of thing we can learn from reading a

balance sheet let's look at current assets and current liabilities disneyland has roughly 6 billion in current assets current assets are cash and things that can be turned into cash quickly to pay bills however they have almost 18 billion in current liabilities meaning money they owe to others in the short term that means they don't have enough current assets to cover their current liabilities this is super valuable information to have and it can help you make decisions quickly your revenue might be great you might

even be profitable however if you don't have enough assets on hand to cover your liabilities you're going to be in trouble if you encounter a situation like this you're going to want to ask a cpa for help they can help you restructure your debt and maybe renegotiate with clients and lenders so that some of this short-term debt becomes long-term debt while you get some more capital to cover your obligations to learn more about how to read a balance sheet check out our balance sheet video next the income statement what can we

learn from it here's apple's income statement for 2019 bottom line they earned 55 billion dollars in 2019 but their revenue was so much higher than that at 260 billion dollars so the question is are they spending too much money are they leaving profit on the table we can see they spent 161 billion producing and distributing their products 16 billion on research and development and 18 billion on other overhead costs like paying support employees office leases etc does anything stand out here as being odd or potential for improvement one thing

that comes to mind is the high research and development cost right now they're spending six percent of their revenue on r d it would be smart for apple to audit exactly where that money was spent the different initiatives that resulted from those r d projects and whether that money is efficiently being turned into real products that make money in summary the income statement is the best place to see where you're spending too much money and whether your business is profitable or not the last financial statement is the cash

flow statement to see what we can learn from it we'll pull up a fictional version of the toronto raptors nba team cash flow statement from october remember the cash flow statement shows the reality of the business one thing we can see here is that the raptors spent 10 million on player salaries in october alone and they made six million in ticket sales in october keep in mind player salaries only tend to go up each year and that players generally get paid all year round even in the off season so what if next

year the raptors aren't as good and they sell less tickets even if their player salaries don't increase they will have less revenue to cover those bi-weekly paychecks they will want to get creative with finding new ways to make money those are just three quick examples of real business decisions you can make from the balance sheet income statement and cash flow statement if you're feeling stuck on how to translate financial statements into useful information ask a local cpa they'll help you dig

into what each line means and how you can optimize your business accordingly which leads me to my last point prepping for tax season you will generally not want to file your own business taxes there's too much that can go wrong we highly recommend working with a cpa to file your taxes that being said we generally don't recommend hiring a cpa to do your bookkeeping and get you prepped for tax season they will usually charge way too much money and you can do most of the tax prep yourself if you stay organized so what do you

need to do to get prepped for tax season most of it involves the steps we've already covered to have a successful tax season you will need to dig up last year's tax return it's the starting place for this year's tax pilot have a trial balance for the year which is your balance sheet and income statement for the tax year get your w3 which shows how much payroll taxes your business has paid in the last year get a summary of all income tax estimated payments you've made in the last year if you can hand your accountant all this

information they will love you and they'll be able to file your taxes without too much of a hassle which means it will take them less time and cost you less money one question we often get around tax prep time is what tax deductions can i claim the answer is you can usually claim ordinary expenses that are necessary for running your business in the description below we've linked to our resource called the big list of small business tax deductions where we explain the main tax deductions in detail that's it while you may not know as much

as an accountant after watching this video you at least know all the major accounting basics related to running your own business if the bookkeeping and financial statement stuff sounds like too much you can always hand it off to a company like bench we'll do your books each month get you caught up if you're behind send you monthly financial statements and we'll even get your taxes filed for you if you don't have your own cpa we've done the accounting for thousands of small businesses and we'd

love to help you out too that's it from us here at bench best of luck on your entrepreneurial journey and happy bookkeeping

1. How To Read And Understand Financial Statements As A Small Business - YouTube

**URL**

<https://www.youtube.com/watch?v=DLRF-eeFj1g>

**Views and time:**

**179,000 views / 36 months = 4,972 views per month**

**Keywords:**

bookkeeping, bookkeeping business, bookkeeping basics, bench accounting, bench accounting bookkeeping, small business, online bookkeeping, accounting, accounting basics, accounting 101, financial accounting, financial statements, income statement, how to read financial statements, business financials, financials, finance, personal finance, how to read financial reports, financial reports, financial reporting, what is financial reporting, what is financial statements, statements,

**Transcript:**

hey there aidan here from bench accounting today we're going to talk about financial statements what they are how to read them and how to actually get value from them for making real business decisions let's start with the definition financial statements are reports that summarize important financial information about your business there are three main types of financial statements the balance sheet income statement and cash flow statement we'll look at what each of these three statements do and how they work together

to give you a full picture of your company's financial health if you need a template for the balance sheet income statement and cash flow statement you can find links to those in the description below let's start with the balance sheet [Music] a balance sheet is a snapshot of your business finances as it currently stands it tells you about the assets you own and liabilities aka debts that you owe at a particular point in time balance sheets are broken up into three general categories assets liabilities and equity here's what it

looks like this one happens to be the balance sheet for disneyland assets are anything valuable that your business owns including cash office furniture inventory patents etc sometimes they're broken up into current assets and fixed assets like you see here current just means it's cash or cash equivalent something you can sell quickly next we have liabilities liabilities are debts you owe to other people these can be things like credit card debt mortgages and accrued expenses such as utilities taxes or wages owed to employees

like assets they're normally split into current liabilities that you owe within the next 12 months and long-term debt beyond 12 months the last category is equity equity is the remaining value of the company after subtracting liabilities from assets equity can come in the form of common stocks like when you buy stock in a company like apple or in the form of retained earnings which is the amount of net income left over for your business after you've paid out any dividends to shareholders now here's where the whole balance part

of the balance sheet comes in the value of the asset section will always balance with the liabilities and equity section that's the balance sheet equation assets equal liabilities plus equity so you can see on the disneyland balance sheet the value of the assets is the exact same as the liabilities plus equity that's how you know they prepared the balance sheet right that's a quick overview of the balance sheet big businesses like banks prepare a balance sheet every day small businesses like a brand new etsy

shop might only prepare a balance sheet every three months it all depends on how many assets are moving in and out of your business now what can you really learn from a balance sheet tons of things for one you can measure the liquidity of your business with the current ratio which is current assets divided by current liabilities this tells you if you'll be able to pay off your debts in the next 12 months and there's lots of other useful ratios you can calculate using just your balance sheet next let's

talk about the income statement the income statement tells you how much money your business has spent and how much it has earned in a specific period that lets you calculate your net profit otherwise known as your bottom line the reason it's called the bottom line is because net profit is at the bottom of your income statement here's what an income statement looks like this one is from apple it has six main sections revenue cost of revenue gross profit which is revenue minus cost of revenue operating expenses operating income or

loss taxes and other non-operating expenses and net income let's go through what each section means we'll make it quick revenue is how much money you want pretty basic cost of revenue or cost of goods sold is how much money it costs to make and distribute your product or service this doesn't include things like the cost of your bookkeeper or the cost of rent those are operating costs gross profit is your revenue minus cost of revenue essentially how profitable your products and services are operating expenses are all the other

costs of running a business utilities rent support staff who aren't making or distributing your products etc you can see for apple they also include research and development here since the r d team isn't exactly making products they're just doing research that may or may not lead to a new product operating expenses are also known as overhead operating income or loss is your gross profit minus operating expenses this shows you how profitable your whole business is how efficient your business is at making money you might have a nice

gross profit but you spend way too much on rent and office snacks so overall you're losing money after you calculate your operating income or loss you need to take into account things that are somewhat out of your control mainly taxes after you've subtracted taxes from your operating income or loss you get the bottom line your net income that's how much money you walk away with after you've subtracted everything else the value of the income statement is a little more obvious to most people compared

to say the value of the balance sheet it shows you if you're making money if your business is profitable or not that is super useful more than that it shows you if you're spending too much money producing your products or if you're spending too much money on overhead the cost of running your business more generally you'll want to consult your income statement regularly if you want an income statement of your own you can click the link in the description where you'll find a simple income statement template

of your own created by our expert bookkeepers here at bench if you don't want to do your own bookkeeping and make your own income statements you can check out bench we'll do your bookkeeping for you and send you an income statement every month anyway on to the last financial statement your cash flow statement the cash flow statement tells you how much cash entered and left your business over a particular time period you might ask isn't that the same as the income statement no the income statement shows you how

much you spend and how much you made the cash flow statements show you what the cash reality of your business is this is most relevant for businesses that use the accrual basis of accounting let's say your income statement says that you made ten thousand dollars in march but your cash flow statement says that you only made five thousand dollars in cash what's going on well it could be that you sent out two invoices to clients for five thousand dollars each if you're using the accrual system of accounting you would record that ten

thousand dollars as revenue in march even though you haven't gotten paid yet then one client pays you but the other client is late your income statement would say ten thousand dollars but your cash flow statement would say five thousand dollars it's super important to know what the cash situation of your business is if you don't have cash you can't pay bills even if you have accounts receivable money on the way to you this is what a cash flow statement looks like this is one from the toronto raptors

the cash flow statement has three parts the first is cash from operating activity this is all the core business activity buying stuff and selling stuff below that you see adjustments things like accounts payable and luxury tax taxes aren't from operating activity but they still come out of our cash so we subtract it accounts payable technically isn't a cash transaction at all however on the income statement it's marked as an expense even though it's money that hasn't been paid out yet so we add it back into the cash flow

statement so we get an accurate picture of how much cash we actually have today next is cash flow from investments in your business so not the regular buying and selling of your core business but things like equipment work vehicles etc in the case of the toronto raptors here they bought an ice bath tub and a hyperbaric chamber for athletes to recover after games and they also sold a hyperbaric chamber the last category is cash from financing activities this includes money the owner invested in the business as well as taking out and repaying loans

on the rapture statement we see there was an owner's draw which means the owners withdrew 225 000 from the business this basically means they paid themselves if you add all three categories together you get the total change in cash if you add the beginning cash to the total change in cash you get the ending cash and for good measure you check your ending cash against what your bank account actually says to make sure you added everything up correctly if you want to create your own cash flow statement you can download our template in the

description below just plug in your numbers and you have a basic statement you can use to analyze your cash situation today that's the end of our financial statements crash course if you're an accounting pro using accounting software you can create these statements yourself if you're less comfortable with accounting you're probably going to want to hire a bookkeeper to do it for you if you don't have a bookkeeper today check out bench we'll do your bookkeeping for you and send you financial statements every

month so you can make smart business decisions and stay on top of your finances that's it from us here at bench good luck on your entrepreneurial journey and happy bookkeeping

1. How To Read And Understand Income Statements As A Small Business - YouTube

**URL**

<https://www.youtube.com/watch?v=LGGNgAq5wSg>

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44,000 views / 36 months = 1,222 views per month

**Keywords:**

bookkeeping, bookkeeping basics, bookkeeping business, online bookkeeping, accounting, accounting basics, accounting 101, financial accounting, what is financial accounting, small business, bench accounting, income statements, income statement, what is income statements, income, financial, small business accounting, small business accounting software, small business accounting tips and tricks, online accounting, quickbooks, financial statements, understanding income statements,

**Transcript:**

[Music] hey there aiden from bench accounting here today we're going to talk about income statements also known as profit and loss statements in this video we'll go over what an income statement is why it's valuable how to read one and we'll also look at some real-life examples of what you can learn from analyzing an income statement an income statement is a financial statement that shows you how profitable your business was over a given reporting period like in the last month or the last year it shows your revenue

minus your expenses the income statement will show you if your business is spending too much money or not earning enough revenue to be profitable it's one of the three main financial statements and it's super valuable for understanding your business plus if you want to get a business loan or bring on investors they'll want to see your income statements to verify your business is profitable unfortunately they won't just take your word for it here's what an income statement looks like we'll go over

each line so you know how to read one for yourself first sales revenue this is the amount of revenue coffee roaster enterprises made from selling coffee and pastries in 2019 if you really want you can break this down by product so you can see exactly which products give you how much revenue next cost of goods sold or cogs this is how much it directly costs to produce and distribute all the goods or services you sold to your customers for coffee roasters this includes cost of raw coffee beans employee wages and packaging

indirect expenses like utilities bank fees and rent aren't included in cogs next gross profit this is what you get when you subtract total cogs from revenue gross profit tells you how profitable your business is after taking into account direct costs but before taking into account overhead costs it's a rough measure of how efficient your business is next general expenses also sometimes referred to as operating expenses these include rent bank and atm fee expenses equipment expenses marketing and advertising expenses

merchant fees and any other expenses you need to help keep your business going basically it's all the cost of your business that aren't cost of goods sold operating earnings this is how profitable your business is after taking into account all internal costs which you have more control over but before taking into account external costs like loan interest payments and taxes which you have less control over accountants will sometimes call this operating profit or operating income interest expense if your business owes someone money it

probably has to make monthly interest payments your interest expenses are the total interest payments your business made to its creditors for the period covered by the income statement earnings before income tax this is your business's profitability before it pays taxes income tax expense this is how much you paid to the irs in income taxes net profit ever wonder where we get the expression bottom line from this is it this is the final total profit for your business now what can we actually learn about a business from reading an income

statement lots you can see how much money they're making how much they're spending how profitable and efficient they are and you can see overspending let's analyze coffee roaster enterprises to see what we come up with as a specific example the first thing that stands out is that they only made seven thousand dollars of profit all year which means the business owner isn't really making any money that's a problem we can see that they only sold 57 000 worth of products if the owners are going to make a living

they'll probably need to double their revenue and we can see that they only spent 500 in marketing if they want to increase revenue and attract some more customers they might have to invest their profit into marketing maybe facebook ads or local flyers they also paid a lot of money in interest this usually means they have a business loan they're trying to pay off or maybe credit card debt and they're getting dinged on interest fees besides rent and taxes it's their biggest expense they may want

to do some debt consolidation to get that paid off as fast as possible so they don't have to pay so much interest that could mean getting another cheaper loan to pay off the credit card debt or just putting their profit into paying off the credit card and holding off on the marketing investment for now now that you know how to read an income statement how do you actually create your own you can't produce an income statement without bookkeeping bookkeeping is the act of recording and categorizing all your financial transactions when you

add up and summarize all the transactions on your books you get an income statement if you're currently not keeping up with your bookkeeping check out our bookkeeping basics video for a simple walkthrough of how to do your own bookkeeping if you are keeping up with bookkeeping you have two main options for how to get income statements first you can use a simple income statement excel template like this one built by our expert bookkeepers here at bench you can download it by clicking the link in the description below

it's a pretty simple template that lets you enter your transactions and category and it will automatically produce an income statement for you second if you're comfortable using accounting software most of them will allow you to produce income statements if you don't want to do bookkeeping yourself you can hire someone like bench that's us to do it for you we'll do your bookkeeping every month and send you a custom income statement for the month and an annual income statement at tax time we'll even file your taxes for you if

you don't already have a cpa you're happy with we've done books for thousands of small business owners and we'd love to take bookkeeping off of your plate so you can focus on running your business that's it from us here at bench good luck on your entrepreneurial journey and happy bookkeeping

1. Small Business Accounting: Cash Flow Statements - YouTube

**URL**

<https://www.youtube.com/watch?v=wROrC2sHd8k>

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**Keywords:**

Cash flow, cash flow statement, accounting, bookkeeping, small business finances, small business, entrepreneur, financial statements, finance, business, cash, statement of cash flows, what is a cash flow statement, cash flow statement explained, income statement, financial statement, statement of cash flows tutorial, indirect method cash flow statement, direct method cash flow statement, how to read cash flow statement, cash flow for beginners, how to create a cash flow statement,

**Transcript:**

hey Aidan from bench accounting here today we're going to talk about patch flow statements cash flow is the lifeblood of every business even fancy venture-backed startups live or die by their cash flow and if you're asking how do you measure cash flow the answer is with a cash flow statement in this video we'll walk you through everything you need to know about cash flow will share a few handy tips on how you can better manage your cash flow how to create a statement and how to use your cash flow

statement to make smart decisions with your money so what is it cash flow is a measurement of how much money comes in and out of your business and where it comes from and goes to when you have positive cash flow you have more cash coming in to your business then you have leaving it so you can pay your bills and cover some other expenses when you have negative cash flow you're spending more than you're making so you will run out of money to make those payments okay so why does it matter well if your cash

flow isn't healthy you could go out of business even if you're making more money than you're spending overall how does that work let's say you run a small web design agency you have three full-time employees they each get paid twenty five hundred dollars every two weeks you just signed a huge contract to redesign the website for global mega core pink which means this year your revenue is going to double compared to last year the only problem is you're gonna run out of cash in four months and your first payday

from global mega Corp isn't for another six months which means you won't be able to pay your employees for two months which means they're going to quit and your agency will have to shut down unless you can scrounge a loan theoretically your revenue is going to double and your expenses are gonna stay the same that's great the problem is that revenue is going to come later than you need it that is a cash flow problem and a cash flow statement can help keep you out of trouble but what is a cash flow

statement exactly it summary of how cash moved in and out of your business during a specific period let's see what that looks like a cash flow statement is made up of three sections cash flow from operations cash flow from investing and cash flow from financing at the bottom you get the total summary of cash flows for that time period each section shows how much cash entered and left your business so you can see at a glance how healthy your cash flow was if you're looking for a cash flow statement to use or look at

we've got that covered download our template in the description below alright let's take a look at how our cash flow template works and how you can go about filling window here's what the template looks like the first section we'll focus on is cash from operating activity this section is what people normally refer to as profit and loss it shows how much money you made after interest was paid to the bank and taxes to the government you would only fill out a mature ization and depreciation here if you already have

those categories on your income statement this section is basically correcting your income statement to reflect where cash was actually spent rather than how the IRS views it for tax purposes for example you might depreciate a work vehicle over five years smoothing out the cost on your taxes but on your cash flow statement you would show the cash reality you paid for the whole vehicle upfront so you would make that correction on the cash statement to only show the cash that you've spent the second section is cash

from investing activities any money you spend investing in your business is reflected here so if you bought an expensive piece of equipment to double your t-shirt printing capacity the cost of that investment would go here or if you sold a piece of equipment that positive cash flow would also be noted here the third section is cash from financing activities this is where you'll see things like cash received from bank loans or cash spent on loan repaid and at the bottom we have a summary this shows where your cash was before this

period where it is now and the difference between the two now what can you actually learn in the real world from analyzing a cash flow statement let's take a look at a fictional cash flow statement from the Toronto Raptors keyword fictional I made this up we'll see what we can learn about their fictional business just from looking at a cash flow statement this cash flow statement is only for the month of October 2019 and again this is not their actual financials just a fictionalized version I literally made this up first

let's take a big-picture look to see what we can learn about their business at a glance if we skip down to the summary we can see the actual change in cash what was it in September 1.5 million dollars not bad now let's see the major line items affecting that first where did most of that money come from as we can see here overwhelmingly from ticket sales and their TV contract that all looks good but keep in mind they won't get any ticket sales during the offseason and revenue will be affected during months where there are

fewer games so we want to keep an eye on that in the future next we want to see where they're spending money obviously player salaries are the biggest expense costing 10.5 million each month keep in mind NBA players get paid on different schedules many get paid every two weeks even in the offseason but some people prefer to get paid a few times a year like Kobe Bryant who only got paid twice a year so the Raptors will want to carefully plan when their stars get paid if their biggest stars want just a few

checks a year and one of those pay periods falls during the offseason when they don't have ticket sales revenue they could have a cash flow crunch on their hands so the net profit the amount of cash left after making their money and spending their money is 1.6 million but we have these two adjustments to make first accounts payable in their accounting they've set aside bonuses to pay their players in case they win the NBA championship this year they have to treat that money as if the players are going to get it but they

haven't actually spent that money yet so even though it might be reported on their income statement as an expense reducing their profit we'll add it back to the cash flow statement since that money is still sitting in their bank account remember the cash flow statement accurately reflects the cash reality of the business rather than the theoretical accounting reality of your business next we subtract the cost of the NBA luxury tax if you spend too much on player salaries you have to pay a hefty tax since this tax isn't a normal part of

earning and spending we add it in as an adjustment on your cash flow statement this is where you would add things like payroll taxes and sales tax so our total cash from operating activities is 1.7 million for the month of October next is our cash from investing activities there wasn't much activity here we can see the team purchase some ice bathtubs for players to jump into after the games they purchased one hyperbaric chamber for recovery and they sold one older hyperbaric chamber the net result is they spent $7,000 on investments in

October finally we have cash from financing activities here we have only one item drawing and distribution this means that the owners of the team withdrew a total of 225,000 for themselves out of the business sports teams might be fun to own but they're still a business that exists for making money so if we add up all three summaries from operating activities investing activities and financing activities we get the total change in cash if we add that to the cash we had at the beginning of October we get our

ending cash and finally we double check our bank account to make sure that our ending cash balance matches what our bank account is saying if it doesn't match we've made a mistake somewhere along the way all right so what did we learn about the Raptors as a business from looking at their cash flow statement we learned one the Raptors are heavily dependent on ticket sales for their revenue in October they sold out almost all of their games but what happens when the team isn't as good and sales are down they would have a cash

flow problem to their big player salary expenses could potentially hurt them in the offseason unless they're diligent to save their profit during the season they could have a cashflow crunch if star players demand big checks in the summer months so what should the Raptors do with this information they should try to diversify their revenue sources they may want to consider giving the rights to a film crew to make a TV show about their season renegotiate their Jersey sponsorships and see if there are any new sponsorships that can give them

revenue all year round they should create a plan for which players will get paid in which months if they know at the beginning of the season that some players would like to be paid in the offseason they can start planning for that today now what if you're not trying to learn from the past but you're trying to plan cash flow for the future unfortunately a cash flow statement can't help with that what you would need is a cash flow forecast something like this does the trick all you do is plot out how much money you think you'll earn

and spend during each month of the year this can be a really useful document to keep updated for example if you have invoices or bills to pay and you know you're going to pay some of them this month and others next month you can plot out each expense in the month you plan to pay them you can do the same with your accounts receivable money you are expecting to receive if you have one check coming your way this month and three next month you can plan your expenses accordingly so you're not spending money until you actually have

money in your bank account as each month passes you can go back and correct the previous month's forecast with your real spending that will make your future forecasts more accurate you can download a copy of this cash flow forecast by clicking the link in the description below now that you know how to measure your cash flow how do you improve your cash flow there are three main ways to boost your cash flow one you can increase revenue easy to say harder to do you can increase your revenue by getting more customers

through advertising or promotions increasing the size of your average sale through upselling bundling or product recommendations increasing how often customers buy from you through loyalty programs or email reminders or you can try raising prices second you can improve your cash flow by reducing overhead how you cut costs will depend a lot on your specific business but for starters you can negotiate lower contracts with vendors or find new cheaper vendors you can buy less expensive materials or you can work with

contractors instead of employees for more ideas on cutting costs check out our checklist for cost cutting linked in the description and third you can incentivize customers to pay you faster by giving them a small discount if they pay you within a week sometimes you don't even need to offer a discount just communicate upfront that your payment terms are 14 days instead of 30 days the faster you get paid the sooner you have cash to pay for your expenses here's the thing to manage your cash flow properly

and create cash flow statements you need accurate and up-to-date bookkeeping to base your financial statements on if you don't want to do your own bookkeeping check out bench will do your bookkeeping for you and send you accurate financial statements each month we'll even create a cash flow statement for you upon request if you prefer to keep an eye on your cash flow daily you can always check out pulse in your bench account pulse is updated every few hours and shows you an aggregate cash balance across all your credit cards and bank

accounts in one simple dashboard if you're interested in checking out bench go to bench CEO and start your free trial today that's it from us here at been good luck on your entrepreneurial journey and happy bookkeeping [Music]

1. How to Read a Balance Sheet (and Make Your Own) - YouTube

**URL**

<https://www.youtube.com/watch?v=Yv1W683IaVc>

**Views and time:**

61K views 4 years = 1270VPM

**Keywords:**

balance sheet accounting, balance sheet explained, accounting, statement of financial position, balance sheet tutorial, accounting tutorial, how to make a balance sheet, financial statements, accounting 101, accounting basics, statement of financial position explained, statement of financial position tutorial, assets, liabilities, equity, accounting equation, accounting for beginners, what is balance sheet, bookkeeping, small business, taxes, bookkeeping 101, income statement,

**Transcript:**

hey there aiden here from bench accounting today we're going to talk about balance sheets balance sheets help you see the big picture things like the value of your business how much you owe others and how much is left over for you the business owner a balance sheet is a must-have if you ever want to speak with investors secure a loan or sell your business in short you definitely need to know your way around a balance sheet in this video we'll walk you through exactly what a balance sheet is what it looks like and how to create

your own we'll even give you a template for your own so you can start plugging your numbers in so let's get started a balance sheet is a financial statement it's one of the big three financial statements along with the income statement and cash flow statement a balance sheet gives a snapshot of your financials at a particular moment summarizing every transaction and journal entry since your company launched a balance sheet is divided into three sections assets what your business owns liabilities what it owes others and owner's equity

which is the owner's claim to the business because it summarizes so much financial information the balance sheet is sometimes called the statement of financial position companies usually prepare one at the end of a reporting period such as the month quarter or year there are three main reasons you'd want to create a balance sheet for your business number one investors and lenders require them people who give your business money want to know exactly what they're getting into the balance sheet is the best way for

them to see the big financial picture so if you want to raise any capital you'll need a balance sheet number two it shows you the layer underneath income and expenses how much money you earn and spend isn't all there is to your business do you have any loans have you ever bought any equipment do you have a patent do you have a bunch of unpaid invoices you may be making way more than you spend each month and that's a great way to start having a healthy business but without understanding all the assets

and liabilities that lie underneath that monthly revenue you won't really know how much your business is worth number three it shows you just how valuable your business is maybe your business isn't bringing in as much net income as you hoped it would and you're discouraged at your financial prospects sometimes that doesn't tell the whole picture the balance sheet can remind you of all the assets you've invested in in the past and how much those are worth to you maybe you're struggling with revenue but

you have no debt and some solid long-term assets you can sell off so you can start a new business on a better foot the balance sheet gives you that big picture awareness of how valuable your business really is it's called a balance sheet because the asset section will always balance with the liabilities and owner's equity sections that's the balance sheet formula assets equals liabilities plus equity if your assets do not equal liabilities plus equity then you've done something wrong let's take a look at an example to see how

that works this is disney's balance sheet for the year 2018. well a very simplified version of it a lot of things have been left out there are three main sections we've got assets and liabilities and equity you can see here that the total liabilities plus equity is the same as the assets in other words they balance now what can you actually learn from a balance sheet let's pretend we're the ceo of disney reviewing our balance sheet at the end of the year our accountant hands us our balance sheet and this is what we see

the first thing we see is that disney has too much current liabilities how do we know that because their current liabilities are much higher than current assets current liabilities are any debt you're going to have to pay back within the next 12 months and current assets are cash and assets you plan to turn into cash in the next 12 months as it stands right now disney has a problem they don't have enough current assets to cover their current liabilities accountants call this idea the quick ratio it means ideally you want to have

one-to-one ratio of current assets to current liabilities now i'm sure disney is going to be just fine they can probably restructure this debt and they're probably going to earn more than enough revenue to cover this debt in the form of movie sales music sales disneyland ticket sales etc their cash flow statement would provide more detail on the cash flow side of things the second thing we can learn at a glance from this balance sheet is that disney has 38 trillion dollars in goodwill and tangible assets which is the single

most valuable thing on the balance sheet goodwill and intangible assets are essentially the value of the disney brand the only problem with that is the disney brand doesn't pay the bills if you want to sell the disney brand who would have enough money to buy it and how long would it take the disney brand can be converted into tangible value but it takes some work for example since disney is a hit with young families they can start a mickey mouse diaper product line and cash in on that intangible value by selling diapers to people who already

trust the disney brand now for the fun part how do you create your own balance sheet you can download our free balance sheet template created by our expert in-house bookkeepers here at bench by clicking on the link in the video description below you'll be able to follow along with what we're doing here to make your own balance sheet this is a simple version of a balance sheet you can use to plug in your own numbers let's say you're creating a balance sheet for the month of january and we start with cash at the top of the

balance sheet and work our way down on january 31st we would total all our cash accounts like our checking account paypal account and any others to see how much cash we have total on january 31st then we'd put that amount in the cash box next we want to see how much money we are owed by others do we have an outstanding invoice let's say a client owes us four thousand four hundred dollars for a big event our cafe catered for them last week they're supposed to pay us in the next two weeks so we put that as an

asset under accounts receivable next inventory our cafe has a total of six thousand one hundred and fifty dollars in unsold inventory which means we paid 6150 for everything our cafe hasn't sold yet including the stuff and storage that you're planning on selling in the next few months next fixed assets we have a cash register and a macbook things we're not planning on selling anytime soon but are still valuable we now have a total for our assets so we plug that in moving on to liabilities three thousand

four hundred dollars on our business credit card money we have to pay back in the next few weeks for short-term loans we have nine thousand four hundred twenty-two dollars and seventy-seven cents we need to pay back to the bank within the next 12 months sometimes you'll have long-term debt here but our cafe doesn't have that finally accounts payable we'll enter the amount that we still owe our vendors the last section is equity member drawing is how much money the owners pulled out of the business for their own

personal use member contribution is how much money the owners put into the business retained earnings is the total income retained by the business that can be reinvested back into the business or distributed to shareholders now we put it all together if we've done the balance sheet correctly the assets should equal the liabilities plus equity looks like it balances right so our balance sheet is done again you can download this balance sheet template by clicking the link in the description below if you followed along with everything so

far you're well on your way to mastering the balance sheet and if you'd rather have someone else prepare your balance sheets for you check out bench we're america's largest bookkeeping service and we would love to do your books and balance sheets for you we'll do your bookkeeping each month and prepare a monthly balance sheet and income statement for you go to bench.

co to learn more and start your free trial today that's it from us here at bench good luck on your entrepreneurial journey and happy bookkeeping

1. **What is a 1099? - YouTube**

**URL**

<https://www.youtube.com/watch?v=80IOIRSOcxk>

**Views and time:**

27K views /6 years = 375VPM

**Keywords:**

1099, tax, taxes, forms, irs, usa, business, finance.

**Transcript:**

No script (Music)

1. **Cash Basis Accounting vs. Accrual Accounting - YouTube**

**URL**

<https://www.youtube.com/watch?v=T_TSsCYPRgA>

**Views and time:**

122,710 views / 5 years 7 months = 1,831VPM

**Keywords:**

accounting basics, accounting basics tutorial, accounting for beginners, accounting basics for beginners, accounting 101, accounting, financial accounting, what is financial accounting, introduction to financial accounting, bench accounting, Cash Basis Accounting vs. Accrual Accounting, cash basis accounting, cash basis, accrual basis, what is cash basis accounting, accrual accounting, accrual, cash basis vs accrual basis, cash basis vs accrual basis accounting,

**Transcript:**

No script (Music)

1. **Year-End Tax Moves for Small Business Owners - YouTube**

**URL**

<https://www.youtube.com/watch?v=IbHNIMzsNCM>

**Views and time:**

4.9K views / 5 years 8 month = 72VPM

**Keywords:**

bookkeeping, taxes, tax, bookkeeping basics, bookkeeping business, accounting, bookkeeping for small business, accounting basics, accounting 101, financial accounting, what is financial accounting, small business, income tax, taxes 2021, taxes explained, taxes 2020, income tax 2021, income tax new rules, federal income taxes 2021, bench accounting, financial, financial tax, finance, personal finance, small business tax, small business taxes, small business tax deductions,

**Transcript:**

No script (Music)

1. **How to Deduct Personal Appearance Expenses - YouTube**

**URL**

<https://www.youtube.com/watch?v=CE0VGqait7A>

**Views and time:**

6.6K views / 5 years 9 months = 95VPM

**Keywords:**

tax, taxes, tax deductions, small business finance, finance,

**Transcript:**

No script (Music)

1. **What Is IRS Form 1040, and How Do You File It? - YouTube**

**URL**

<https://www.youtube.com/watch?v=wXBzy5z40U8>

**Views and time:**

11K views / 6 years ago =153VPM

**Keywords:**

form 1040, taxes, tax, 2020 form 1040, how to fill out form 1040, how to prepare form 1040, taxes explained, taxes on stocks, what are taxes, bench accounting, taxes on stocks explained, what are taxes and why do we pay them, what are taxes and why should we pay them?, tax season, tax season 2021, irs, irs.gov, irsvideos, tax tips, small business tax tips, small business, my tax refund, tax deadlines, tax deadlines 2021, federal tax, federal taxes, federal tax forms,

**Transcript:**

No script (Music)

1. 4 Ways to Improve Cash flow and Support Clients During a Recession - YouTube

**URL**

<https://www.youtube.com/watch?v=PamaHsbrOjU>

**Views and time:**

2.1K views / 4 years ago = 44VPM

**Keywords:**

accounting, accounting tutorial, financial statements, accounting 101, accounting basics, assets, liabilities, equity, accounting equation, accounting for beginners, bookkeeping, small business, taxes, bookkeeping 101, recession, clients, small business during a recession, taxes explained, taxes 2020, taxes 2021, income tax, bench accounting, financial accounting, what is financial accounting, cash flow, cash flow statement, statement of cash flows, cash flow statement analysis,

**Transcript:**

get it managing a business in a recession can be difficult to navigate when both you and your clients are struggling it can be hard to strike a balance on managing the financial needs of your business with the needs of your clients to support those relationships for small businesses maintaining these relationships are essential to thrive so how can we continue to maintain these relationships and keep conducting business but also ensure that we're taking care of our own revenue by implementing an invoicing software

the balance can be found in a tool for generating invoices collecting payments and keeping you informed on the outstanding balances your clients face this will allow you to adapt to the needs of your clients who take more time to make payments and strengthen that relationship by looking out for them and continuing to conduct your business while keeping a pulse on your own financial well-being to succeed in this transition here are some tips to help you master your client relationships through a recession tip number one communicate with your

customers okay let's start over again tip number one is communicate with your customers communication is key when it comes to invoicing clients tip number one is communicate with your customers communication is key when it's coming to it tip number one is communicate with your customers communication is key when it comes to invoicing clients through your invoice terms you have an opportunity to set expectations on when you get paid and work through the unique circumstances of your customers a study by freshbooks has actually shown

that if you give the client more time to pay they're going to use it and this is your opportunity to offer leeway with longer payment terms whether it's selling goods or services this is going to let you to conduct your business right now this could mean working on a payment plan or giving a little extra leeway with the time frame of a payment to enable your customers to maintain this relationship but as you make these changes and as you continue to maintain these relationships remember that your communication is

going to have to change as well a good software like freshbooks is going to provide you with a full suite of tools to stay in contact with clients it's going to give you the option to send out both manual and automatic payment reminders pair this with their payment schedules and your clients will have a better experience as you help them with their cash flow by using these tools the transition to invoicing will change the way you can take payments from your clients while being a breeze and at minimal time

cost yourself the second tip we have for you is that you're going to have to start understanding your outstandings it's going to mean understanding your business beyond a net profit number because you will have some payments that have yet to come in shift your thinking from a long tip number two is gonna tip number two is dedicating time to understanding your outstandings it's gonna mean shifting your understanding of your business beyond the immediate and that net profit number there's gonna be some outstanding payments yet to be

coming in as you shift your thinking to a longer time frame to evaluate your business make sure that you're using clear reports provided by your invoicing solution you can stay on top of your receivables and how long they've been outstanding for and if there's a client or a customer that is falling behind on payments an automated payment reminder can ensure that you're keeping touch with them without any manual input if the problem persists communicate with the client try to understand their situation

if they have something that's affecting their ability to pay you can take that opportunity to change the terms make it approachable for them and maybe even offer an extended payment plan also take these reports as an opportunity to understand your cash flow as well if you had a tight month take a look if you had a tight mat no if you had a tight month take a look at your outstanding receivables it could be that your payments are just taking time to come through and maybe you'll see them next month if you

find yourself depending on your outstanding invoices a payment schedule if you find yourself depending on your outstanding invoices a payment schedule can benefit you it will smooth out your cash flow rather than waiting for that full payment to come in you'll get it in increments to sustain your business in between projects this additional insight creates a more robust picture of your business as well so you can rest easy no matter what's outstanding tip number three make payments as easy as possible of course reminders and

communication is only going to go so far in terms of you actually getting a payment there's nothing worse as a customer than when you get a reminder about making a payment and then you have to jump through so many hoops just to fulfill your end of the deal if you're going to incorporate an invoicing solution into your business make sure that it comes with the ability to streamline payments with freshbooks your clients can pay directly through the invoice enabling your clients to make payments easily at their convenience will make

for a greater response to your communication your clients win by having a streamlined payment experience and you win by likely getting paid faster if you have any repeat customers they will love the function of saving credit card information to quickly make payments for future charges and you will love the speed that you get paid at once you have saved credit card details you can even set up your clients so they're billed automatically taking away any headache that comes with getting paid what the are you doing

our fourth and final tip is understand the full picture of your books remember that your receivables are just one component of your business while freshbooks provides additional tools including expense tracking and time tracking this will allow you to see beyond the revenue and understand the true cost of your operations if you need to build back expenses to clients or keep on top of the time and efforts you're putting into your project there's so much extra value to discover

here with freshbooks functionality a straightforward dashboard can be customized to make all the information you need immediately accessible but once you're ready to move away from taking care of all of this tracking on your own bench can step in with a personalized service made possible by pairing you with a bookkeeper to handle tracking your revenues and expenses through freshbooks you'll need to generate invoices and stay on top of communication but then we take care of the rest with our pulse feature

bank activity gets imported in real time for you to get an immediate grasp of how it impacts your financials and you can stay on top of your cash flow for you hell as you stay on top of your cash flow if you have any questions you can fire a message to your bookkeeper in the exact same space using the messaging fee it'll give you real time in as you stay on top of your cash flow if you have any questions you can fire a message to your bookkeeper in the exact same space to the message fee it allows you to get a second opinion

from somebody who knows your books in and out so as you implement these tools you'll be better equipped to handle a recession you can stay diligent track your expenses through bench to identify inefficiencies and the move to an invoicing solution will allow you to track your receivables it will mean that you can continue servicing the clients that are the lifeblood of your business even if they are in financial hardship show care and foster the relationship in these situations it can make a client a lifelong customer

but adapting to a recession isn't just about being reactive every step you take to mask your business during a time like this of hardship it's going to pay dividends beyond don't just think of these as steps to survive and make it to the next month these are steps that will help you thrive beyond the recession after all it's our ability to connect with others and continue conducting business that will support each other in our communities keeping us all afloat

1. What We Learned About E-Commerce and Online Selling During the Pandemic - YouTube

**URL**

<https://www.youtube.com/watch?v=96ha5olhitI>

**Views and time:**

1.4K views /4 years ago = 29VPM

**Keywords:**

online selling business, online selling tips and tricks, E-Commerce, Online Selling, Pandemic, Covid-19, e-commerce business, e-commerce tutorial, ecommerce for beginners, online selling tips, bench accounting, Entrepreneurs, entrepreneurship, small business, small business tips, small business help,

**Transcript:**

hey everyone it's ben from bench back with another video with the Paycheck protection flexibility Act passing and seems that now you have 24 weeks use the funds you're probably not as focused on the relief programs that are available to you anymore and you're now looking for other opportunities to improve your business as a small business owner you know that there's really no time to stay complacent and you always have to bring in some new elements some new development to stay ahead of the curve I

want to take an opportunity to talk about some of the lessons that we took from the pandemic in particular how to weather a recession and how to prepare for a second wave if that's going to be the case and really try to focus on how businesses consume continue to thrive in this new environment what can they do to improve themselves in particular I really want to focus on this first video on opening up an e-commerce part of your business not only is this a massive convenience to your current customer base it's a way to tap into new customer

bases and beyond that with so many businesses already having an online presence you may actually be feeling a step behind if you're not yet on an e-commerce platform fortunately I have the privilege of having a friend who actually went through the whole process of setting up an e-commerce store and I consulted him heavily on this video so let's take a look at some of the different terms some of the different considerations and things that you might want to consider if you're going to be opening up an e-commerce part of your

business o ecommerce can be simplified as basically selling online having an online presence traffic through business is going to be dependent on so many external factors including whether people have access to your actual physical retail storefront by introducing an e-commerce element to your business you're not just prepared for the second wave but you're also going to give yourself an opportunity to tap into new markets and just have a more easy accessible way to sell your products to your current customer base

online merchants that you can get set up with they also typically have working capital programs which means you'll have access to some cheaper funding alternatives these are loans in which they will take a percentage of your sales from there on out unless of course you have insufficient funds to cover the payments in which case you will have to be paying down the balance but because of the fact that it's based on those receivables you can typically get a cheaper loan if you haven't expanded into e-commerce yet let's talk about how

you can get it set up and some the things that you should be aware of before taking the dive into it now I want to take an opportunity before we get into all of this to review some key terms because I'm going to be referring to these throughout the video and your understanding them is very important to make sure that you're really optimizing your experience the first I want to talk about is the domain the domain is basically your website address what you build your website on is gonna be called the front-end commerce platform that's

where you can develop that storefront for and really customize it to the aesthetic you want and to try and attract the clients in so for example you can register domain through a website like GoDaddy GoDaddy also additionally offers a website development tool however you don't necessarily you need to use it for both purposes you can register the domain in one place and then use a different front-end commerce platform like say Squarespace to build your website on that domain the last important aspect you should know about is the merchant

provider or payment provider I'm going to be using those terms fairly interchangeably that's what you use to take payment through credit cards so how does this all interact well you can register your domain in one place then have a different front-end commerce platform and then have a different payment provider all three of them completely separate however some of them are actually also going to offer like bundle packages so you can register domain develop the front-end platform and have a payment processor all in one

place for today I'm going to focus on payment providers as that's really like that main building block as well as some of these payment providers have that front-end development tool so let's take a dive into three of the most prominent ones that are currently operating this space that's gonna be square stripe and Shopify now Shopify is gonna be a great option if you already have like a bit of a vision of what you want to achieve in a digital storefront the reason being that it is a bit of a one-stop shop it

can be your payment provider your front-end commerce platform and your domain registration the store builder lets you build your website through their platform you can purchase your domain through them and they have like a full array of tools and reports for you to really go into like the micro details of your business understand what products are selling good at what times there's and this can actually inform some of your marketing decisions as well beyond that you also have access to some of the different perks through there like

shipping costs they actually have the ability to print labels and manage shipping through Shopify platform you can get started on a 14-day free trial but the basic plan starts at $29 a month and there's going to be a credit card processing fee the credit card processing fee is typically the same across all platforms which is around 2.

9 percent on the transaction itself with a flat 30 cents per transaction fee on top of that now if you grow beyond what the basic plan is offering there's going to be two more tiers for $79 a month you get into that next tier and then the advanced here is two hundred and ninety nine dollars a month now granted you probably won't need to think about exploring those quite yet unless you are in a further stage of your business and you're big enough that you think you're suitable for one of those bigger

packages but for starters you can probably get started on that 14-day free trial and then on to the beginner platform if it's something that's been fulfilling your needs Shopify will equip you to fulfill your vision for your online storefront and provide you with the metrics to equip you with data to make informed decision-making regarding your sales but beyond that there's one other thing that I want to touch on which is the fact that since it is a one-stop shop since it has the domain registration the

development and the payment processing itself you can get that all set up at once but actually add in different payment processors so you can look at Shopify as being more than just a payment processor it can be your front end first and foremost and then add on those additional payment types so for instance you can actually incorporate Google pay Apple pay and PayPal all those payment providers making it easier for your clients to actually buy your products I know for myself I'm a frequent user of PayPal if I don't have

to go digging for my credit card and I can just type in my password password and it's all taken care of I'm more likely to actually make a purchase but Shopify also isn't the only one that is offering this one-stop shop where you can really take care of all of these details at once Square has also entered this space they were once previously just a credit card processor but for zero dollars and the same fees which is 2.

9% on a transaction 30 cents per transaction you can actually get set up on a storefront right away no monthly fees now of course this is going to come with some restrictions you're gonna actually have a fair amount of square branding on the website the domain is not going to be customizable those limitations they may not be that important for you if you're just trying to break into space beyond that you're also not going to have the ability to incorporate other payment processors such as the Google pay is the

Apple pays and the PayPal now there are tears to the plans while you start at zero dollars a month you can upgrade to $15 a month to afford yourself some more customization and the removal of the square branding for $30 a month that's when you start getting discounts on shipping labels and you get some enhanced customer interaction you can start posting customer reviews as well as we're covering lost sales by having an automated email anytime someone has left with items in their cart and then for premium package which is $85 a month

you actually reduce your fees to 2.6 percent on a transaction 30 cents per transaction and it provides a real-time shipping rate calculator so once you're getting to that really high volume or that point three percent difference in the fees is going to matter there's actually probably going to be enough of a benefit and the cost there for you to start considering that Square is definitely the most suitable when you're just looking for a place to sell and you want to be able to sell as quickly as

possible without Kim any of the complications it's simplified it's straightforward but you should think of it as like a leased space and the fact that you can't really make renovations to it you can occupy it and you can use it but you can't necessarily customize it to the exact experience that you want it is a little bit of a limitation but its simplicity is a huge draw if I want to make a foray into the digital market I can get set up on square no monthly cost I'm only gonna be paying based on

the volume of sales that I make based on those fees and it gives me an opportunity to experiment with my business with really a low commitment now as I mentioned at the top of the video I wanted to talk about square stripe and Shopify and the reason being is that they're three of the biggest names on the market but they can also offer you very different services depending on you are on your progress of being a business if you don't have a business yet but you notice an inefficiency in the market or something that you could

tap into you might be easier to actually start up a business right now get into e-commerce and start selling things online right away but there's a long way to go from having this idea of what you can sell online and actually selling it if you've got a good business idea stripe can actually help you with the set up from the very start and inception of that idea to their stripe Atlas program for a $500 fee they're actually going to walk you through the incorporation of the business and just through ten minutes of filling out their

forms you're going to be able to get started on your business within a couple of days they also offer a couple of different payment options if you want to have continued maintenance of your business such as tax filing so it's restrike Atlas you can get started on a business right away their base services are chief just as Square is where it's zero dollars a month two point nine percent fees plus 30 cents per transaction but you will have to do the domain registration and have a front-end commerce platform separately that may be

of a little bit of a detriment but it also gives you Liberty to explore those other options and again build up like a really good customized website that suits all of your needs stripe also offers an incredible payment platform due to its ability to send payments as well through something called stripe connect there's a sophisticated pay out engine which will let you build out payout options that suits your business's needs so for instance let's say you're a third party retailer and you're working with artisans in the area

and every time you sell one of their products online they take a cut and you take a cut you can actually set up a payment option such that you take in the revenue and it immediately gets dispersed to that individual so there's so much that goes beyond just the payment processing that allow you manage the finances of your business beyond just the revenue aspect of it so to conclude depending on where you are as a business there's three different payment providers that can offer you very different things based on your needs if

you don't have a business yet start looking into stripe and in particular the stripe Atlas program if you need a payment provider that can manage your payment's again stripe is the standout because it gives you that option of collecting revenue and immediately transferring it out to other people if you want the easiest and cheapest way to start selling online squares so optimize to get you set up so if you are a small business and you just want to break in that space for no monthly fee you can actually just

experiment and try it out for a bit but if you have more of a vision of what you want to achieve you want a more robust set of tools you want something that can be well beyond just a payment processor and website Shopify is gonna bundle that all in one and can help you fulfill that vision so one thing is for sure it's easier than ever to sell online as I mentioned there's a 14-day free trial for Shopify no monthly fees for squares stripe you can get set up super easily but this isn't just a convenience

anymore it's now almost a point of necessity it's a baseline for most of you the retailers out there and in particular your competition these providers want you to succeed and you can get set up on all of them for no cost and this will help you in a case of a second wave but beyond that say that we don't have to worry about a second wave with the closure of retail locations it's a prudent step to take to modernize your business you want to be able to sell a platform that's as widely accessible as possible and this is gonna

help you achieve that help you expand and really help you inflate that sales revenue number anyways we're gonna continue making these videos so long as we're identifying these different subjects that we think small businesses should be educated on based on our experiences of the last couple of months if you want to stay up to date on all of the news that's out there and have it disseminated a really simple way follow our blog but also follow our Twitter account which is just at bench we managed to actually get that one we're

also here on YouTube hit us with to subscribe we'll have more of this content coming out and more news related content anytime that news does break or there's some sort of reform anything that happens we'll be there to break it happy to have you along with the journey and hope you join us next time

1. Bench: Bookkeeping done for you - YouTube

**URL**

<https://www.youtube.com/watch?v=guoTHOqPS9k>

**Views and time:**

316K views / 5 years = 5,267VPM

**Keywords:**

Bench, Bookkeeping, Bench Accounting, AutomatedBookkeeping, Bookkeeping app, Bookkeeping service, Bookkeeping services, Virtual Bookkeeping, bookkeeping basics, bookkeeping 101, accounting, accounting basics, accounting 101, bookkeeping service, bookkeeping services, bookkeeping, finance, small business, small business accounting, small business accounting tips and tricks, small business accounting software, small business finance, small business finances, business finance,

**Transcript:**

**No transcript (Music)**

1. Building Capital Reserves During a Recession | Bench & Funding Circle Webinar - YouTube

**URL**

<https://www.youtube.com/watch?v=FdjT4wDKh0M>

**Views and time:**

1.2K views/2 years = 50VPM

**Keywords: No keywords**

**Transcript:**

welcome everyone good morning and good afternoon uh thank you for joining us today uh for our presentation on building capital reserves during a recession we're going to give everyone uh who's planning to join us today uh just a bit of time to filter in over the next couple of minutes or so so before we get started we would love to hear in the chat where are you tuning in from today let us know uh drop your state drop your time zone let us know where you are joining us from i myself am on the west coast got

my speakers joining me from mountain time zone in denver all right awesome we got los angeles little rock georgia north carolina fantastic welcome everyone great seattle oh wow fantastic oh hawaii amazing is anyone joining us from out of country maybe we've got some international uh viewers we'll see another colorado welcome wonderful san jose illinois oh another one from la super great oh it's very exciting to see we've got quite a uh a great wide representation across the whole country that's fantastic

george connecticut fantastic oh we've got someone from india amazing wow welcome uh it's a long ways away super wow great okay um thank you very much everyone and um now that we've given uh everyone just a few minutes to jump in and join us today uh we'll go ahead and get started uh so again welcome everyone thank you so much for joining us today as we talk about building up your capital reserves during a down economy or a time when your business may be facing a cash shortage we've gathered some of the industry's

top experts from our great partners at funding circle to share ways that you can plan ahead and keep your business protected so uh with that let's go ahead and get into some introductions of our speakers so i am your host my name is allison i work at bench which is a full service bookkeeping and tax filing solution for small businesses and i work on creating helpful resources to educate small businesses on how to manage their finances and taxes you can find all those helpful guides we've got over 700 blogs and resources

and tools that are available on the bench blog and that's at bench.co forward slash blog so you haven't been to the bench blog i do highly recommend you check it out uh and joining me today from funding circle we've got libby and jen so i'll let them both introduce themselves and uh libby you can go first hi everyone thank you for joining my name is libby and i had a u.

s operations here at funding circle i've been here a little over five years and i'm excited to speak with you all hi everyone i'm jen brubaker also very excited to be here today i'm i am the head of u.s sales for funding circle so that means i'm uh responsible for hiring trading and leading our dedicated account management team that works with our small business borrowers um i've been with funding circle for about three and a half years now um in our denver office excited to be here today wonderful thank you both we're excited

to have you here uh and so now that we've done some speaker intros uh let's just go over um uh both bench and funding circle just in case anyone in the audience is not familiar with either so what is bench if you haven't heard of us we are america's largest professional bookkeeping service for small businesses we pair you with our in-house expert bookkeepers to get your books up to date and compliant with irs standards we provide interactive and easy to read monthly financial reports and those reports can be used for applying for a

business loan for instance we can also file your income taxes for you and this is a service that also includes unlimited support from our in-house tax advisory team and so this is a group of tax professionals who can help you to optimize your business for one of its largest expenses that being income taxes and lastly bench also specializes in completing historical bookkeeping and tax filing so if you're if you've fallen behind on organizing your finances and doing your bookkeeping and tax filing bench can actually help you get caught

up in a really short amount of time we're actually the fastest solution for small businesses to get their finances caught up and in accordance with irs standards for tax filing uh and uh for anyone uh not familiar with funding circle i'll pass it over to libby to walk you through who funding circle is thanks alison um we are funding circle is the largest online small business lender providing loans in the world um over the past 10 years we've built machine learning and technology platform and it's changing the way small

businesses access financing they need to grow business owners can complete a loan application receive a decision in a matter of minutes enabling them to get funding quickly and affordably we believe that when a small business like all of you succeeds we all succeed you create jobs support local communities and drive our economy forward and that's why we really are focused on helping all of you win today as leading global provider for small business loans we've helped more than 122 000 small businesses access

over 18.4 billion dollars in financing super thank you libby all right uh so i'm just gonna go over a couple quick housekeeping notes um before we dive in so we will be sharing the recording with everyone later today so uh keep an eye out uh in your inbox for that recording link and that's if you need to uh jump out early today if you're not able to stay with us through the whole presentation that's okay you can watch um or rewatch the session later or if you'd like to share it with a fellow business owner certainly you're

welcome to do that so uh yeah keep an eye on your inbox later today and that will be sent to the email address that you use to register for today's session the q a is a button at the bottom of your zoom panel and that's what you can use to submit any questions you have so feel free to submit questions at any time throughout the presentation don't feel that you need to wait until the end in order to submit your questions we will be answering them uh after our formal presentation and we'll answer

them on a first come first serve basis so if something pops up in your head please feel free to go ahead and submit those questions um as they arise uh and next to that uh you should see the chat feature which many of you have uh already been using thank you so much for letting us know where you're tuning in from today uh and just uh for anyone who hasn't used the chat yet you just uh remember to change your chat settings to panelists and attendees so everyone can see your um uh your entry and um yeah uh just when using the chat

a reminder just to not share any um personal information that you wouldn't want publicly available um and so uh yeah do keep an eye on the chat as we'll be sharing some helpful resources and links in there so with that we can jump into what we'll be going over today so we're going to start by sharing ways that you can help your business manage a slow period what you can do to prepare some considerations you can make to mitigate the impacts of a recession on your business uh then our funding our pardon me our

speakers from funding circle are going to talk about financing options for small businesses including how online lenders differ from traditional lenders then they're going to walk you through the process of getting an online loan what does it look like how long does it take and what sort of information and documents do you need to have ready uh before applying and then lastly we'll end with that q a where we can answer your questions on today's topics all right so uh diving right in the first thing i

want to kind of just talk through is uh you know this uh r word recession uh it's been in the news a lot lately um but uh you know what exactly is a recession so a recession is really a normal part of a business cycle and a business cycle is just um really a cycle of contraction and expansion in a country's economy there's actually been four recessions in the united states over the last 30 years and they've had an average of about 11 months the national bureau of economic research is technically the group or body

responsible for declaring a recession however it only declares a recession after they have ended and this is because they have to go back and review all the data to determine whether a recession happened or not so this results in situations where we could be in a recession and not even technically know it and so as a business owner you need to be keen on picking up on the signs that were either in or entering a recession and what you should start to look for in order to prepare your business uh and so bench has actually put

together a helpful guide that further explains uh what a recession is if you want to read a little bit more detail and uh this guide also includes some key indicators uh that you can keep an eye on uh in your business so i'll just paste that link here in the chat for everyone if you want to check out that more in-depth guide on you know what a recession is as well as those key indicators that you can use to monitor in your business all right and now we want to talk about preparing for a recession so one of the most common effects of a

recession for all businesses is reduced cash flow and this really is a result of a decline in sales as customers pull back spending to essentials i know it's something we're probably all doing right now as uh you know inflation has been creeping up in apple for the last many months but customers may also put off making payments longer than usual due to those cash constraints and then this creates a domino effect where you have less cash for your marketing or employee budgets and this slows down your sales slows

down your operations and then this cycle repeats so what are some actions that you can take to help keep your business afloat and really slow down the speed of this domino effect if it starts to happen so uh the first is to build a cash reserve and you can really think of this like an emergency fund so you want to start small set cash aside in small amounts on a regular basis you want to keep your operating and savings accounts separate so that you or an employee if you have any don't accidentally spend this emergency fund

another good idea is to prepare a set of ground rules for this fund so write out a plan define what you would constitute as an emergency maybe how much money you want to have or maintain in that fund and when you're thinking about that you can really think about how many months of operating expenses do you want to be able to cover and if you're really not sure about that the average suggested amount really ranges between 6 and 12 months this again is a decision that ultimately is up to you because the money that's

sitting in your emergency fund um it's not working for your business so that's um factors that you need to weigh out in that decision uh and i i'll point out if if you're um wanting to jot down some notes we've actually covered uh all of this here in um another bench guide so i'll paste that link here in the chat and this covers all of the points that i'm going over right now um all right so uh the next tip we have is to maintain marketing as a priority and this is uh marketing is typically one of

the first expenses to be eliminated completely or maybe scale back quite significantly but when a company is having budgeting challenges you want to actually avoid um having your leads or clients dry up because that then just accelerates your cash flow problems so you want to maintain a flow of new customers to offset those clients that you might lose over the coming months and when evaluating your marketing spends really look at um you want to look at and see which channels or spends are generating the most returns for you and if you're

really not sure um one thing you could do is send out a simple survey to your existing client base or any leads or prospects that are coming in to your business ask them how they heard about you how they discovered you and that might give you some indicators as to which marketing spends or channels are working best for you you can renegotiate some advertising contracts if you have any also incentivize word-of-mouth referrals or word-of-mouth marketing and really you know push this towards your clients but also your employees if

you have some really like leverage your entire network the next point is to reduce your overhead costs and so overhead costs are the expenses of running your business things like rent office supplies insurance subscriptions maybe vehicle or travel expenses you can also look at renegotiating any of those rates maybe consider working from home if you have an office rental space that you're able to let go of um and consider investing in technology that would actually improve productivity and therefore reduce your overhead costs

sometimes these tools are free and benches put together another helpful guide on seven affordable technology tools for small businesses so take a peek in that link there and see if any of those tools would be helpful for you and lastly unlike bigger corporations as a small business you might have less access to cash resources and this makes managing cash flow extremely important during an economic downturn so it's worthwhile to consider a financing option before you desperately need it and the reason for this is

that getting financing is usually more costly and difficult to uh obtain if your business is already getting into financial trouble so our uh our speakers from funding circle are going to walk us through how funding options that are fast and affordable can help keep your business agile through a downturn or a slow period but before we get into that we want to run a poll here we're interested to know if you've ever taken a business loan so i've launched that poll let us know if you have maybe with your bank or with

another provider or maybe you haven't ever taken a business loan um yeah so the poll should uh have popped up there um great okay so it's looking like most of our audience has not actually taken a business loan before about 46 of you uh and about 26 percent uh have already with their uh current bank uh and about 30 or so the numbers are changing a little bit here but yeah about roughly 30 have taken a business loan uh with their current provider okay great so uh with that i'm going to pass it over to uh to libby

thank you very much alison um those poll results make a lot of sense what we find is for many of our clients the first place they think to go is that their bank and then they kind of come to us second maybe their bank doesn't offer a loan in the cost in the range that they're looking for or they um don't have the services that they need um so a little bit about funding circle and the reason that people come to us uh oftentimes it's to pay down existing debt i know to neil had asked a question about debt refinance or consolidation

and that's something that we often see as a purpose for coming to us to get a loan um or even just something like make a purchase um a piece of equipment or something like that for their business or working capital loans which would be kind of what alison talked about ahead which is this idea of getting financing before you needing it and just helping you build a cash reserve for those times where it might be necessary so again we have met people come to us for many reasons but those are some of the most common ones

another great reason that people come to funding circle if we can move to the next slide is because while you fill out one application we're able to connect you with kind of a myriad of different products so we have our own business term loan product where you think of it very similar to a traditional loan where you get all the money at once and then you have a certain period of time in which you repay the loan but there's a lot of other products out there that we can connect you with as well the examples would be a business

line of credit or even an sba loan all of those tools we can help our gen's team when you speak to them on the phone can talk you through the different options and help you understand what's the best fit for where your business is at this time um and then what we wanted to do is spend a little time telling you why you might choose us over your bank if you've never gotten a loan so i'm going to kick it over to jen to tell you a bit about that awesome thanks libby um and i know we're comparing uh funding circle to

traditional banks in this slide but i also think it's important to kind of take a step back uh and recognize where we typically see funding circle loans sitting uh in the overall uh lending landscape and the way we typically explain it to our borrowers is that funding circle you know sits somewhere in between a traditional bank and other online lenders um what i mean by that is that you know we have uh some products that do compete with bank loans when it comes to rate uh but we tend to be a lot faster with less documentation

requirement et cetera so uh to go over a few of those uh benefits you know the first point uh here is that you know the structure of our loan we like to pride ourselves on being very transparent when it comes to our fees uh we also have fixed rates and fixed monthly payments with much longer term or terms than other online lenders out there so we go up to five or seven years um in a rising rate environment that we're in right now a lot of our borrowers are choosing to come to funding circle over getting a

traditional sba loan for that environment or and for that reason meaning uh the your monthly payment and rate will stay the same throughout the term of your loan um you also have one-on-one support from a dedicated account manager and they're there to really understand your business and its goals and to walk you through our documentation requirements and our process as well as well as answering any questions that you may have along the way uh you will have access to their direct phone line throughout that process

and they will be your one point of contact throughout uh you know the process up until hopefully we get you an approval and get you funded and that does include connecting you with the other products that we offer that libby explained on the previous slide um the next point here is that you know we are a lot faster and more flexible than you know what you typically would see at a bank uh what that means is that traditional banks can take you know weeks if not months to generate a decision on your application where but

at funding circle you know we can move us as quickly as a few business days to both generate that decision and get money into your bank account we find that you know a lot of our business owners because of the goals that they have associated with the loan they're taking out they want to get started on those goals right maybe you have inventory to buy for the holiday season maybe you have debt to consolidate right now that would save you a lot of money um and because of that reason we want to be able to generate a decision as soon as possible

so that you can get started uh and then of course the last uh bullet here is about no prepayment penalties so what that means is that our term with our term loans you can pay that off early and save on future interests without any additional fees in our process um moving to the next slide this slide explains how to apply with us um so our application process is designed to be quick and easy um and can be completed in minutes uh we do a soft pull on your credit which is where a lot of our borrowers do have questions on

our application what that really means is that we want to understand where your personal fico scores uh is related to some of our eligibility in our different products and that is a soft poll which means it's not damaging to your uh credit score uh you do also have no obligation to move forward our application is non-binding binding so what that means is that at any point in the process if you no longer wish to move forward uh that is up to you of course and there's no fees associated with that uh once

your application is is complete you know we that is when we reach out to you my team and you are assigned a dedicated account manager uh they'll reach out to you to gather details on your business that i explained in the previous slide and we'll also go over your eligibility as it relates to our suite of products they'll collect any outstanding documentation requirements in a secure format and we'll get you off to our underwriting team to make a decision if we are able to generate an approval

on your application our process to move forward uh is also quick and easy we pride ourselves on that uh your account manager will make sure that you're very clear when it comes to the terms of your approval and any related fees we're also uh here to help when it comes to comparing what that looks like to maybe other um approvals that you've generated with other lenders to help you make the best decision for your business um and you know once once you are ready ready and committed to moving forward we

can have money in your account uh in as little as 48 hours just to go over our crime moments really quickly um you know when it comes to what your business should look like before applying with us we do require two years and or more in business with at least 50 000 or more in annual revenue we do have a minimum loan size of 25 000 when you do fill out our application it is really up to you to say what you are looking for in there with but that is our minimum uh and then of course uh strong personal and business credit

scores so on the personal side this starts at a 660 minimum fico score now in order to move forward with our application process once you do talk to your account manager we do require some documentation um and that looks like the last two years of your business tax returns the last two years of your personal tax returns and then your last six months of bank statements now there are probably some clarifying questions around maybe you haven't filed yet for 2021 or other one-off circumstances like that if you're not sure if you meet some

of these requirements again our application process is non-binding so you're welcome to apply and our account management team can help you navigate kind of those one-off scenarios awesome great thank you jen all right so uh now speaking about getting caught up in your taxes if that's something that you need to do and if you need assistance with those last two years let's say have tax returns or maybe just getting your financial records and statements in order bench can help so we as i mentioned at the

beginning of the presentation we have a dedicated team of experts who actually specialize in completing years of bookkeeping really fast we get your records caught up and ready to file your back taxes and then we work with trusted partners to get your taxes filed so that you can uh proceed for instance with your funding application and so what does this look like uh for every month that you need caught up your bench bookkeeper organizes your business transactions and prepares financial statements and these financial

statements are going to help you demonstrate that you have uh really a tidy track record of financials and that's you know whether you need to apply for a loan or maybe a grant or if you're looking um to pitch to investors you want to convince them really that your business is worth investing in and having clean and accurate financials will certainly help with that bench has a really easy to use platform with visual reports like the one you can see there on the slide and that makes it uh just easier to stay on top of your

finances and track the health of your business month over month then for every year of services we provide you with a year-end tax package and this tax package contains everything you need to file your taxes so you can either hand that over to your accountant if they're the one filing your taxes for you accountants love this tax package because it's all neat and tidy and everything that they need is there otherwise if you're the one doing your own filing you can use this tax package to do that but if tax filing is not your

favorite thing to do in renting your business which i'm sure it's not high in the list uh we can actually take that off your plate and uh do your tax filing for you um and these uh tax filing services uh as i've mentioned also include the unlimited tax advisory sessions and so those sessions are available to you throughout the year not just around tax filing season and during that during a session with a tax advisor you jump on a call they're typically around one hour or less in length you're

able to ask questions that you have about your income taxes and our tax advisors are really going to take the time to get to know and understand your business circumstances financials and then provide you with valuable advice that's tailored specifically to your business and to help you optimize your income taxes uh and so we've got an exciting offer for those of you uh watching today's webinar we are offering 30 off of your first three months at bench and that discount applies to either our bookkeeping or our bookkeeping plus tax

support so i'll drop another link on the chat here and you can access that 30 off for uh three months um and uh before you really you know decide if bench is the right uh solution for you we you can actually do a no commitment no credit card required free trial and so during that free trial our team will complete uh one prior month of your bookkeeping in just one business day and after they've done that they'll give you a set of financial statements that are yours to keep and so this uh yeah this will basically

let you just get a sense of whether bench really is the right uh bookkeeping and tax filing solution for you before you make a decision or before you want to take advantage of this discount offer so grab that link in the chat we will also include that link in our follow-up email if you want to take a little bit more time to think about it and for anyone who is watching this session on demand uh after our live presentation the uh promo code link is available just below your viewing screen there on the page so uh with that we have come to the end

of our formal presentation so we can now jump into questions so i'm gonna open up uh our questions here i did try allison to type as many answers as i could yes yeah okay wonderful oh great thank you yeah you've answered quite a few super okay um all right so um okay we've got a question from elliot so um okay let's see uh during our session um i'm actually elliott i'm not 100 sure uh we might need you to clarify your question um maybe we'll jump down to um we've got a question from an anonymous attendee saying does

bench work with our software in our case we use netsuite so um a great question about bench's software so it is a proprietary software so we've built it ourselves um but uh uh that doesn't mean that it's gonna cause a lot of friction or challenges with onboarding or off-boarding with our software basically when you join bench you're able to really easily import all of your maybe historical uh transactions and link up all your financial accounts and then uh if for some reason you decide that uh you know bench is no

longer the right fit for you um it's our software uh you're easily able to basically export all your financials uh and we send you away with uh an excel file for instance and maybe you can take that to your next provider or maybe you've hired a full-time bookkeeper or an account to handle your um your bookkeeping so um yeah no no significant challenges there uh so i i do believe that um uh using netsuite shouldn't be an issue um let's see um okay so another question from tanil i haven't completed this year's p l

i think we should be good to apply will we have access to the account manager by phone and email and then another question will this account manager be lifelong or only for the current loan that's being applied for i guess uh tanil is looking for some guidance to keep her in line when she's applying uh as she has an extensive financial background so she just kind of needs a helper yeah i'm happy to take that one um you know as far as uh how you can reach your account manager so we do i give a dedicated phone line for your account

manager and they also reach out via email and even sometimes sms if that's a way that you like to communicate um you know typically we are you know around uh monday through friday 8 8 am to 5 p.m and that you can reach your account manager anytime during that process as far as you know if you are assigned to the same account manager time over time you know typically not and the reason for that is how often our borrowers come back to us for small business loans right um might be every couple of years and and potentially will get assigned a

new person however you know outside of your application process with funding circle you're absolutely welcome to reach back out to your account manager that you worked with uh in the first for the first process and they can kind of give you guidance on where to go from there um hopefully that answers the question but uh yeah okay great uh another question uh from uh oops here we go uh sorry how much profit in terms of percent would you need to see a business has made in the last two years it might depend on

um yeah definitely i think it depends on what you're applying for other factors are that are going to matter too is your cash flow um and your credit um but i would say that you definitely would want to show uh positive cash flow okay great all right um okay another question here um okay so from elliott so uh part of the question has been answered already uh other than buying planes what would the terms be for a line of credit um he says we are slowly climbing in terms of monthly revenue and are currently showing about 94 000 plus

for the year i'm not sure if um do you need the the first part of that question for context i can help uh answer that i think at least partially you know uh lines of credit are typically done through a partner of ours right so as far as terms you know you would have to apply to actually see what you qualify for and what that uh lender would then give us um is your dedicated account manager who would articulate that approval with you though so we don't necessarily pass you off to a partner we handle that internally which i think

isn't is a nice part of working with funny circle um as far as you know why someone might want a line of credit over a term loan is because those are revolving right so as you draw on that line of credit you have the ability to pay it back and it essentially replenishes itself so it's a great way to have cash on hand um you know in the ability to take out and only pay back what you need at that moment um you know gives you that level of flexibility okay great uh there's a question from tina about

the interest rate uh what is the interest rate that might uh differ i guess depending on the type of loan is that right it does that's correct um as far as funding circle our our uh you know rates start at 599 and go up from there um you know as far as where your business lands it is dependent on you know your business's financial health and our underwriter's assessment of of what your business can afford when it comes to monthly cash flow um so you know from that perspective we aren't able to tell

you exactly where you will land until you go through that uh application process but again because it's non-binding um you know if we are to generate an approval that isn't you know what you were hoping to see you know you don't have to move forward with that okay great all right uh there's another question from herb if you find prototypes for technology yeah we could um i think again there's gonna we're gonna look for you to have been in business two years we're also gonna again look at your credit and cash

flow those are gonna be the um primary margin or items that we're gonna take into account when deciding if your business is credit worthy thank you all right um okay uh ardevan thank you for yeah submitting your question through the q a button so we are low margin business we do about 14 and a half million per year but net one percent after the owner's salary and every i guess everything all the other expenses uh how much does our net affect the line of credit that's a good question i think that one you know i would

encourage someone to apply and see kind of what the underwriters come back come back with you know because our line of credit is at a partner of ours you know i wouldn't necessarily have the details of how that would affect um you know the approval that we would be able to to generate uh libya i don't know if you have more details on that one but um i would just encourage someone to see where they land yeah i agree i think it's gonna depend on um a few factors there how you're reporting and things like that

but it's possible yes okay great all right uh another question uh can we apply from valets can we apply for loans solely in the business name using the ein yeah i think that there's actually a couple questions related to this and so um just in general we do require a personal guarantee on our loans this isn't going to be reported on your consumer credit but as the business owner you um will kind of say like i'm taking responsibility for this debt the other piece there is um that i think sometimes people are asking

is can a sole prop can you be a sole proprietorship yes we do lend to sole proprietors um and sometimes business lenders don't because the line between personal and business seems too close but we've developed a really great process to be able to lend a sole proprietorship if that's the way your business is structured okay great uh let's see and a follow-up question to that one does your loans report to the business credit reporting agencies yes they do okay right all right a question from an anonymous attendee are fixed

interest term loans funded and serviced by funding circle yes our core product is a fixed interest rate so the monthly payment will stay the same for the life of the loan and we do service it ourselves so it stays with us okay great um all right and um question from uh destiny is there any way around having a two-year business history um their particular business is 14 months old so can they do personal and business together or if personal credit would work uh we only do small business lending here at funding circle and that two

years is a pretty hard line for us so um we would encourage you to do you know great for the next couple months and come on by when you get to that that uh 24-month time frame um but if you're looking you know i i've seen personally in my years in this industry that sometimes when you're under that two years you can find lenders you can work with or um people will do exactly what you said which is use personal credit at first and then kind of repay themselves down the line okay great uh so earlier question i apologize i

missed it uh from steve asking if that cash reserve that i spoke about or this emergency fund is taxable um and so um i am not you know authorized to give uh tax advice but uh what i do know is that uh you know if um the money that you've put into that emergency fund is income that you earned during that tax year then yes that income will be taxed and then if that if your emergency fund or or your cash reserve is generating any interest in a whatever type of savings account or or yeah if it's generating any interest

that will also be taxable um but that's a very great question uh and something that our tax advisors would be able to help you um navigate you know which um yeah basically like with you know your various income sources and all your expenses and all your tax deductions of available credits if there's any available to you um they'll be able to help you kind of navigate what is the most optimal uh way to have uh your money managed for taxes for tax purposes okay there's a question from benjamin so i have a 736 personal fico

score and have never obtained a business loan how can i receive funds or capital for my recent startup or maybe a business line of credit um without it he's not able to hire a marketing team or feel very secure with emergency funds i think the only thing i would say is that uh two years in business piece that libby just went over so if your startup hasn't been around for two years you know and we do have to wait until you hit that milestone to apply through funding circle um however if you are interested in doing so and you have been

around for two years you know the best way to do so is through our online application um so that's just at funnycircle.com uh there's a big apply now button on there and you can get started that way once that application is complete you'll be assigned to an account manager who can kind of walk you through your eligibility and options from there okay great all right uh and i see there's one question here in the chat what is your website uh so as sharedfundingcircle.

com is where you can find a funding circle and bench.co is where you can find uh bench oh and another question just popped up there uh how can i apply for the sba loan and what are the qualifications same process so you would just hit that apply button now button on our website and you know again once that application is complete you will be assigned to an account manager so what they actually do just to explain that a little bit more is they after you know answering some uh after you're able to answer some questions about your business um you

know we will collect that documentation that i spoke about earlier that documentation then will dictate you know along with the information you gave your account manager your your eligibility at all of the products that we uh sell you know or or offer if you will on our team so from there you know they will be able to walk you through if you're uh eligible for our term loan a line of credit the sba etc right on that call and help you understand kind of um some of the benefits or reasons why someone wouldn't want to go with a certain

product um that tends to be pretty specific to your business at that point in our process which is why we just encourage people to fill out that application so that we can get to that point of being able to direct you a little bit better okay great uh and there's a question in the chat uh from matt so does uh bench use zero great question so no we don't use zero so as i mentioned a little earlier bench actually has our own proprietary software but if you are currently using xero to manage your accounting

and do your own bookkeeping we can actually export all of your historical files from xero and easily import them into your bench account and so yeah the process of transitioning from zero is uh not a difficult one uh we certainly have a lot of clients who will join us uh from zero um and i'll just point out uh one of the you know we get asked uh quite often how we differ from zero and really the main difference is that in xero you're doing your own accounting you're doing your own bookkeeping but when you join bench we take that all off

your hands and we take care of it all for you so you don't have to do your own bookkeeping anymore okay uh another question and just a reminder to everyone if you're able to submit your questions through the q a button we can make sure that we don't miss them but there is uh one here i am a home daycare moving to a building in the next couple of months would i have to wait long before i apply with a higher revenue and they've been in business since 2001 so the two-year no congratulations first of all on a new

location that's great um i'm sure having it out of your home will be nice as a person with small children um actually they're large children now but they were once small um but um no you certainly don't need to wait we encourage you to apply if you need the funds now obviously your revenue will be probably grow exponentially when you have a facility and at that time if you need additional funds we'll take that new revenue into account but if you need funds now we would be happy to help you

okay great all right um so that looks like right now we've covered most of the questions i'm just going to scroll one more in the chat about the sba website and i just i'll clarify the question was i went to the sba website and it says they don't accept applications that's right so the sba itself doesn't um process the applications they work with partners who they've approved across the u.

s so when you apply on our website we work through partners to get you to the sba they're kind of like the money bags in the back not the loan operations and processor people and that's probably better for you and them so we encourage you to apply and we'll help you walk through that process wonderful thank you yeah we um we had that question a lot during the pandemic with the ppp loans um okay uh priscilla submit a question here do you change do you charge a fee uh once the funding is approved so we do so um we have a one-time origination fee uh that is

basically financed throughout the lifetime of your loan um and that is something that you know we do like to be very transparent about when we go over the terms of any approval that we have at funding circle so it's something that you know your account manager would call out um to you and make sure that you understand how that works all right wonderful all right and another question uh from my uh late attendee that's okay will there be a replay of this webinar i arrived late uh and have missed some important

information um no problem at all yes you will we will be sending out a recording of today's session it'll arrive in your inbox towards the end of the day today uh so yeah if you joined us late and are wondering what you missed at the beginning of the presentation don't sweat you'll be able to access that email and the recording link using the uh it'll be sent to the email that you used to register for the session so keep an eye out for that and you can rewatch any parts or catch up on what you may have missed

great question okay um see there's another one here when the line of credit is approved you need to make payments regardless of whether you have used the money or not it's a good question from robin yeah so um no basically you don't make payments until you make a draw which means you actually take money out of the line of credit there are minimum draw requirements um but as far as how much money you take out um is really up to you at a time so long as it's under the approved line amount if you will um once

you do take that draw that's when you start making those payments back to it right okay and um yeah elijah just has a follow-up comment about the sba so um yeah you apply for the sba loan through funding circle which is correct and they've asked for the website so fundingcircle.

com is where you can go to get started on your application all right and we'll give it a few more minutes if anyone else wants to submit a question go ahead it looks like we've covered most of them i'll just um uh oh great here's another one from stan how many months are loc payments for draws so uh term lengths i suppose for a line of credits can be a year to two years um it depends of course what you know approval that we generate um and then how you pay that back is typically daily or weekly payments um we would go over what those

options look like after you go through the application process okay great all right and just making sure that i haven't missed any final questions before we wrap up uh looks like elliot has another question for us um let's see uh elliot i'm not sure if we've gotten your full question there um okay great thanks so assuming i'm approved for a line of credit can the amount uh later be increased um gender libido is that a possibility with funding circle to

after you've been approved to have your line of credit increased later on you know i believe that is something that our uh partner does with lines of credit again this is a a loan that we would connect you to outside of funding circle you know your account manager will be the one that goes over the initial terms um and what that line looks like and then if you are to come back and want to you know get approved for more on that line um it is something that you would then work with um that lender at the time but i do believe that's something

that they look at assuming your you know payment history is on time hey great good to know okay lots of questions about lines of credit how long can you have the line of credit without using it uh it may depend yeah there is a minimum draw amount if you want to open the line of credit so i believe you know for any new approval you have i believe it's 10 to 12 days to take that first draw on it um as far as how it's how it um how long it's open it after you take that initial draw quite honestly i'd have to look into

okay all right phillip we see i see your question looks like you're in the process of applying now and you have a question for your account manager so off um if you don't if you don't mind just personally messaging me your email on the chat we'll get you in connection with someone and see what's going on okay great um and uh okay i um uh just going back up to chat here it's difficult to uh to see if we missed some questions there but i think i i found one here that we may have missed um from ardavan

what if we have an in-house bookkeeper full-time are the bench prices less um great question so um if you already have an in-house bookkeeper uh bench may not be the solution for you because um uh we are primarily a full service bookkeeping solution so if you are interested in having our team help you with your tax filing you're also going to be having our team help you with your bookkeeping however uh it might be worth um evaluating uh you know whether that is still cost effective for your business um to have us help you with your tax

filing if that's what your needs are but yeah if you um if you have an in-house bookkeeper then uh we we want to avoid you know duplicating their work in other words so um typically small businesses will come to us if they don't have an in-house bookkeeper or if they're maybe having their accountant do their bookkeeping or doing their own bookkeeping through a another platform like quickbooks or or zero let's say i hope that answers your question okay um and uh elijah has one more comment here about the sba loan

yeah i'm looking at it for the sba loan we file personal tax with my business tax return well i still qualify and what if my business income and personal income um the i would encourage you to apply and see what your options are the sba is very particular and specific and it's a much more time-consuming process just for context the average application time in the industry just to get from applied to approved is over three months so it might be that if your uh income is low if your business and personal income is

lower and you're looking for a smaller amount this isn't the right product that you're applying for obviously sba has like a certain brand or panache that makes people think this is the loan for me but i'd encourage you to apply and let us kind of give you some additional options and see what's a good fit it may be that it's the sba but i find often that people especially when they're not needing large dollar amounts to start out maybe sba isn't always the perfect fit okay great yeah lots of questions about the

sva loan wonderful okay and with that i think we've answered everyone's questions uh so we'll just see here in the next few seconds if any final questions come in that we can answer and we'll just do one more check here through the chat just to make sure we haven't missed any um okay looks like we've covered all of the questions so with that i just would like to um thank you everyone for joining us today we've really appreciated your attendance and your engagement in the chat and all

of these great questions um we hope you enjoyed today's session as much as we did so keep an eye out again on your inbox for the recording and you can re-watch uh today's presentation or if you want to forward it on to a fellow business owner uh go ahead and with that uh we've got our contact info here on the slide i'll leave this up for uh just another minute or two if you want to jot it down check out our websites and we hope to see you again at a future webinar thank you everyone again for joining us you

1. Small Business Growth Hacks: Mastering Budgeting and Strategy to Beat the Summer Slowdown - YouTube

**URL**

<https://www.youtube.com/watch?v=_ksu1iWuvFw>

**Views and time:**

618 views / 1 year ago= 52VPM

**Keywords:**

No keywords

**Transcript:**

all right welcome everybody uh to our small business growth hacks webinar featuring our friends at marketing360. uh we'll give folks a few more minutes to trickle in um but in the meantime I'd love to know where you're dialing in from uh or tuning in from I should say and uh drop a note in the chat where you're from and uh maybe introduce yourself to someone you never know where connection will take you a Colorado Austin Pensacola Kentucky New Jersey Indiana nice I'm the only Canadian so far I'm in Nova Scotia

I'm just cutting out thank you Pam Brandon are you hearing that as well uh every once in a while we get a little jump in the sound is anybody having any difficulty hearing me from my mic or is it uh just Colleen from Canada alrighty well we uh I've got things set up here for Success so uh let's hope the Wi-Fi gods are on our side and uh and let's get going thanks for answering that Pam see that alrighty um so thanks for everyone for joining us today I hope the the signing uh the sun is shining wherever you are

um so let's uh let's jump into things and start learning about some small business growth hacks all right so uh to kick things off I'd love to hear from your your thoughts in a poll how many people who are attending right now are investing in marketing this year I'm gonna pop a poll into zoom and you can answer your questions right in the platform there is it responsive so far thanks everyone foreign great thank you very much for that all right uh so before we get officially officially started I do want to make a

land acknowledgment I'm joining in as I said today from Nova Scotia Canada um the traditional and unseated territory of the mcmahi The ancestral territory of the migma people um so to kick things off thank you again for being here taking the time out of your day um I wanted to uh start with some introductions and then we're going to walk through of course the the latest and greatest ways to invest in digital marketing right now um and remember this session is all about maximizing your time and Investments now so your business is

poised and all this hard work will pay off in the summer uh next we're going to talk about how we can cut through all the noise that there is out there right now in the world of marketing and discuss exactly what tools and tactics uh we believe will will work and what you can put to good use uh this summer uh and then we'll end off the webinar with a q a period where you can get your chance to ask any questions that you might have uh and speaking of questions feel free throughout the presentation to

use the chat uh we'll either address them right in the moment or get to them at the very end um and also we'll be sharing a recording of this with everyone so if you do need to hop off or if there's anything that you want to come back to feel free to uh just click on that link after the webinar and you'll be able to relive all the magic once again so on to introductions all right so uh my name is Colleen and I am a Content strategist here at bench accounting um and uh it is my sole purpose at bench

to support small business owners like yourself with guides and resources answer your questions through content and blog articles so we'd really love to hear from folks today about you know what sort of questions you have either about small business finance and obviously with the the theme of marketing today um and then I'll pass it over to Brandon introduce yourself please thanks Colleen I'm really excited to be here I've been in uh digital marketing for professionally for about 15 years now I've been with marketing 360 for 10.

uh teaching educating I started off as an account manager here and now as a senior brand director uh you know I like to say it's a made-up title for a made-up position I get to do a lot of fun things like this a lot of Education a lot of special projects and kind of learning new ways to make digital marketing work for small businesses uh in addition to that I'm a small business owner myself I own a my wife and I own a year-round Halloween and costume store here in Fort Collins Colorado so I am not just a marketing 360 employee I'm a

marketing 360 customer as well and I get to take a lot of the things that I learned from business and bring them into you know how we operate and how we we approach marketing uh and that's I think what we're going to talk a little bit about today is uh is the uh is the the digital marketing for small businesses so I'm pretty excited and Colleen you're muted thank you thank you all right thank you for that Brandon I'll let you roll right into the first slide all right okay sounds good so we

want to talk about establishing your marketing strategy for the summer months right now depending on who you are and what kind of industry you're in what business you have uh you may find that there's a timeliness or you know uh during the summer landscaper right probably going to be a lot busier than maybe uh you know in the middle of winter unless they're also doing like snow removal and stuff like that so there's a little bit of a timeliness to some of this uh some of this marketing but what we want to talk about now

is really focusing in on like this next period right so the first thing we're talking is maintain marketing is a priority now why do we need to talk about marketing as a priority of course marketing is a priority right we want to grow our businesses we want to generate leads we want more sales all these things of course marketing is a priority but is it though and just by joining this webinar you're showcasing the fact that you are interested in making sure that marketing is a priority you want to do it the right way you know you want to

do more of what works and less of what doesn't so that's what we want to focus on you're we've got to get our minds right when it comes to marketing one of the first things that we need to talk about is time the time that it takes the time investment so let's move to invest in technology and improve the productivity or reduce our overhead costs right this is also something that where we can increase the amount of time that we have by improving our productivity or reducing our costs you know we don't

need to spend our energies necessarily in one place we can put them somewhere else so this is really really important when we think about it is where are we spending our time what are we investing in where are we investing time is it in technology is it in uh education you know spending time on a webinar how are we maintaining marketing as a priority you know and finally we talked we want to talk about automating business processes so you can enjoy some well-deserved rest and relaxation uh also very very important right because

the small business owners we know how easy it is to get burned out to just get absolutely um it just crushed under the weight of everything that you're trying to do entrepreneurs are the only people in the world that will work 80 hours a week to avoid working 40. and I I say it all the time but it's super true right you know none of us want to be told what to do we're out here trying to be uh trying to be owners and trying to make our businesses and our communities better you know for the people that we serve

so jumping back up to maintaining marketing as a priority I want to point out that one of the most important things that you can do as a small business owner is understand the power of time and the power of time when it comes to marketing now sometimes this time could be just the timeliness right you know you you have a product and you drop it at the exact right time you know or you uh you you are able to move quickly and respond to a a demand or something like that um you know so that you are you're you're in the right place at the right

time that's obviously very very important and there's you know honestly there's a level of luck involved in a lot of that um or you know you could say or just really understanding the market obviously but what I'm talking about when we talk about the power of time and how to use time as a tool is the um is that you need to give your marketing time and you may not have a lot of budget but let's face it we all do have the same amount of time uh you know we have clients I have small business uh clients

come to us all the time and they say okay well so I want to turn on this campaign at this time uh we're gonna run it for a couple of days because it's just for I'm just promoting something over the weekend right just a weekend marketing well there's a problem with that with not enough time Facebook uh as a great example of this if you start running a marketing campaign it's immediately in what's called The Learning phase that learning phase is generally 21 days long now can you run a campaign for three

days of course you can but you're going to spend more you're going to invest more the costs are going to be higher the results are going to be a little bit less because Facebook is still learning about your campaign now Google kind of does the same thing Google you can turn something on but if you turn it off turn it on turn it off turn it on turn it off it's not optimizing the algorithm isn't working as uh the way that it should the machine learning that goes into making these campaigns powerful is not uh not been

given enough time so this is something to think about for all small business owners and I'm not saying you can't run short campaigns you can't especially if you understand like oh my costs might be a little bit higher that's fine this is what I'm investing in I'm good with it but what we can't do is say I've been doing this marketing for two maybe three weeks and it's just not working well if it's Facebook it's not even out of the learning phase yet you haven't

given it enough time time is one of the most powerful tools that a small business owner can have they're one of the most powerful tools that a small business owner can use and as we move forward we'll talk a little bit more about how we can use time as a tool uh for our marketing campaigns thanks Brandon all right on to uh how to best invest in digital marketing Perfect all right so we're going to talk about a couple of different things here we're going to talk about brand marketing we're going to talk about inbound search

retargeting targeted outbound and shotgun outbound okay so we're gonna talk about five different parts of a marketing campaign and these parts of the marketing campaign are going to stack so you're going to start with one and when you maximize this opportunity in one then you're going to move to two maximize your opportunity move to three okay these opportunities are maximized we drop back down and we we reinvest in some of these so I'll walk you through that whole process the first one that we want to start with

is brand marketing now brand marketing is the easiest it's the quickest it's the fastest it's got a really good Roi you got tons of control over it brand marketing is literally marketing your brand name now you might say well Brandon I'm already showing up on page one for my brand name okay that's great good good that's that's actually really powerful good for you I'm glad that that is working for you however there is still real estate to take on the front page of Google there's still real estate to take in uh

an individual's mind and there are a bunch of studies there's different uh key studies I think search engine watch did one Google has released another uh talking about the more real estate that is taken up on the front page of Google that first search engine results page the serp the more real estate you have the more trust is already natively built into uh your organization so I as a consumer feel like I can trust you more I search for um marketing 360.

I search for bench bench accounting or bench bookkeeping or some some keyword related to uh what we're looking for Branded right marketing 360 marketing for small business the life of the party costume store something like that right we're talking about branding with our name here there's an ad I've got my organic results you know we've probably got some links below that maybe there's a Maps listing or a knowledge panel over on the side all of this is building Trust most of this is at very very low cost as

well so if you are just starting out as a business maybe you don't have a whole lot of budget uh we don't really have a lot to to invest brand marketing is where you start now if you are an established business regardless of marketing budget or available funds or anything like that and you want to start marketing brand marketing is always the first place to start because it's the easiest fastest lowest hanging fruit even if you go back in and you're looking at this you're like okay I've

given it three months I've given it four months five months six months and you're looking and you're like I'm not getting any conversions off of my brand name I will bet you if you go in and you start looking at your organic results you know jump into Google analytics or something like that look at your organic results you will see that your organic conversions are higher because you have built in more trust by running ads against your brand name now beyond that obviously you're taking away potential real estate from

competitors because competitors can also run against your brand name uh however because they are not you they generally are going to be paying a premium for this so maybe someone's already running ads against your name and you come in and you start running ads as well you bumped their costs up because now they have to compete with you in this secondary auction that uh that Google or uh being you know how they operate so really really good way to start driving up your competitors costs if they're already trying to to uh uh nudge

in on your customers two it builds in that trust so brand marketing at a very low cost for you great way to start now I would also say and this is on the next slide but I'm going to bring it up here is going to be retargeting retargeting I like to just set up first thing first things first because 97 of people when they first come to your website or interact with your brand do not make what's called a purchasing decision so they don't decide or they haven't decided whether they're going to fill

out that lead form or they're going to buy that product or they're going to give you their contact information 97 of people obviously that's an incredible amount now if we're just doing brand marketing or we're just getting started we're not going to get a lot of people to the site not a lot of folks are going to come in there but some will right and as volume continues and as we continue marketing and we continue to get better we produce more content we get more and more and more people to the site so as a

technical part of the setup I like to make sure that retargeting is uh ready to you know the pixel is installed the audiences are ready to be built so that as soon as people begin coming to the website you can start to build this audience now the audience has to be at a certain level before you can run it on Google or Bing or Facebook or Pinterest or any they all have retargeting so that's why we say you're probably not going to get that organically you're going to have to run some inbound search before you can

kick off retargeting but I wanted to throw that caveat in here now inbound search this is probably where most of your investment marketing investment is going to go however this is also where you get the most tangible results so we've got brand marketing I haven't invested a whole lot of money into it because generally it's not very expensive uh we'll have the retargeting campaign ready to go uh but because the audience is so low it's either not running or we're talking like pennies a

day to keep it operating so again very low on our budget inbound search is generally where more of the investment goes uh investors I like to refer to this as intent based search I the consumer I intend to find something so I search for it I Google it and then I find it right I intended to do that and I am following an intended path that I have set before me now our job as marketers is to make sure that we have created a path that meets our customers intentions so if we are uh running ads for uh let's say Halloween costumes right or

running ads for Halloween costumes I need to make sure that my ad my keyword my ad my landing page that experience is all tied together it's tied to Halloween costumes now if they search for Halloween costumes they click on my ad and it takes them to a landing page and it's all Easter Bunny rentals that is not a good uh that's not a good customer experience right I intended to find something very different I did not find it so now I'm bouncing out of this website I'm going to do my search again

I'm going to keep looking and at this point I might have cost you money so consumer intends to find something what services do you offer what business are you in what industry are you in that's going to be what people are searching for so local search ads map ads uh your standard search ads on Google and Bing shopping ads if you're e-commerce all of this is going to be intent based so this is where you find that you can have explosive growth both in customers and in investment if you're not careful

and you're going to spend a lot of time kind of whittling away doing more of what works and less of what doesn't Okay that keyword it's very expensive but I'm not getting any conversions off of it let's cut that out of here uh this keyword I'm doing pretty good at but it's it's not it's not I don't have enough budget just to run that one so I'm going to move it into its own campaign and let it do its thing oh the shop all these different things right so inbound search we spend a lot of time a

lot of energy here only when you have maximized your opportunity in inbound search only after the opportunity has been maximized and you cannot get any more blood from the stone are you going to move on and we'll go to the next slide and we'll talk about that so obviously I said retargeting now this retargeting list has been growing because you've been getting more and more and more traction and traffic in the site obviously with inbound search that intent based search you're driving more and more folks to the site now

again 97 of them statistically are not going to make a purchasing decision the first time they interact with your brand so retargeting becomes very very very important because we need to bring these people back right we have spent a lot of time we've spent a lot of energy and honestly we've probably spent a lot of money getting them here and just have 97 of them drop out the back that doesn't work for us right that's not a good uh good business investment so we need to invest in our retargeting because this

will help to drive people back if anybody goes to marketing360.com and obviously you should uh here in the next couple of days you're probably going to start seeing marketing 360 ads all over the place reminding you hey you should work with marketing 360. oh you went to marketing 360.

oh look at this marketing automation software oh look at the CRM that is retargeting now the purpose of that obviously is to keep you interested and to bring you back now we can also use that information that audience to go okay well this this audience is not a good one for us if they're not coming back they're not spending money they're not okay so now we build an audience against that and we don't Target to them at all save some money save some some costs there increase our Roi in these in these other audiences as this list is growing

so retargeting is very cyclical As you move into any of these other campaign types and are building out your marketing uh marketing strategy you will always be going back to retargeting and adjusting adjust your messaging adjust your budget right as the audience grows the budget grows as the audience in the list grow uh the budget will grow hopefully you are also driving that kind of Roi so this is a non-issue right retargeting is one of those campaigns I will never turn off just always keep it running it's

always going to be driving more customers through now we're talking about that we're going to talk about targeted outbound now targeted outbound is going to be more of the social platforms right Facebook LinkedIn uh YouTube Pinterest Tick Tock you know things like that and the reason it's a targeted outbound is that be is that ins unlike intent based inbound search I intend to find something I search for it I find it we've reversed the roles and now you the business owner me the marketer my job is

to try to get an ad in front of the consumer before they even know that they need it so I do that by using demographic information uh interest-based information you know audiences and lists that all of these platforms have built into them for targeting purposes uh don't it's not a privacy concern nobody here can be like okay I want to Target Colleen specifically so I know she lives in Canada I don't know no you can't do that right you'll never know she'll never know these audiences and these lists are

going to be based on behaviors and information that these social platforms have kind of learned and gathered okay learn it gather it bulk everybody together and say okay this Brandon is probably interested in this he's a huge nerd so we're going to put him in the huge nerd uh envelope over here this audience and when somebody comes along and they want to Target nerds then this that's this audience and Brandon will probably get that ad assuming I also meet all of the other restrictions and requirements that the marketing or

marketer or business owner has kind of put in place there it's it's a it's a good marketing opportunity when you want to expand what people if people know about you who's looking for your services reaching people before your competitors uh reaching people before it becomes something that they're even searching for so it's targeted outbound it's still an outbound approach but we're able to get really really really targeted with this okay now are we going to see the same kind of

Roi that we see with inbound intent based search probably not but that is okay we're still driving interest we're still creating brand awareness we are still uh building our retargeting list right anybody get those mailers uh the oil you know oil change mailers all the time they just all go into the drawer with the next or the next mailer I need to get an oil change and I'm going to go to that door and I'm going to pull it out and go this one's not expired I think I'll get an oil change

here right it's it's a little top of Mind awareness and that's the whole point of doing this targeted outbound similar in the way that it can build your retargeting list so you're able to build then and retain that top of mind or that mind share you know that we want so targeted outbound is another one where it flexes and grows and you know based on the audience and you know who are we targeting and how are we targeting them uh what's of Interest Now versus what's of Interest later so

that is one of those where you're not going to really find a a point where you've maximized it right it just changes too much it changes too fast but that's okay if we've gotten to a point where we're happy and we don't really need to do a whole lot more here we're pretty happy with our results now we can move on to shotgun outbound now some companies will never need to utilize this some companies they don't need shotgun outbounds it's not something that produces results for them or the budget

just won't allow for it right anything like that so this is not a it's not a goal here right we're not talking about working through all five of these marketing stages to get to shotgun outbound we're saying that all of these things working together work as a very very good marketing campaign however you do not need to move from one stage to the next stage to the next stage to be successful if you're finding success where you are stay there and then move on so shotgun outbound it's not a

requirement some businesses will never do it but for those of you who will this is running advertising to a very large non-specific audience think billboard right not a whole lot of targeting you can do on a billboard so it's very uh it's very broad it's very non-specific this is brand awareness uh this could also be um sponsoring an event now that can be a little more specific because maybe it's an event that's related to your industry or something like that so you can do a little bit of targeting

but not much print advertising would be another one uh now some Industries print advertising still works quite well others you know don't touch it with a 10-foot pole you know your industry you know kind of where that fits so this shotgun outbound approach this is the Capstone to the rest of your marketing that is already working shotgun outbound is not the approach to take when nothing is working it's generally not where you want to then invest your funds and money and time because it is so Broad and there

are so many other digital opportunities that are a lot more effective so this is your five stage marketing plan you've got brand uh intent based inbound search retargeting targeted outbound and shotgun outbound five stages to building a marketing plan a marketing campaign and how to best invest in digital marketing awesome thanks Brendan all right I think we have another poll here um so if you can find it uh in the zoom platform here uh let us know what you're currently investing in and where you're currently

investing thanks everybody so we'll share these results uh later but we're seeing lots of there's lots of options I need help starting yes I'm all in so thanks to you've come to the right place all right so we'll end that poll and uh back to you Brandon for uh marketing Trends and cutting through the noise all right perfect so we're going to talk about two different things here uh and we're gonna we're gonna tie in a bunch of other Trends and things like that mostly because this is how my mind

works so I'm fascinated by all kinds of different things and how they all work together so first thing we're going to talk about is going to be email marketing and I know as soon as I said that half of you already tuned out email marketing come on that's that's that's yesteryear you know I still have yeah I don't personally because I'm not this person I have an AOL email account I'm still using Hotmail or Yahoo or something like that if you're using any of those email accounts by the way in a professional

setting please don't uh it's not it's not difficult to change up your email so you're actually using your your brand uh URL right so very very important good for Branding also critical when we're talking about email marketing now there's a couple of there's a study that came out I think it was two weeks ago that was showing the value of email marketing now we've been hearing as as marketers for years emails dead stop it with the email no one reads email now it's just a waste of

time blah blah blah we've been hearing it for a long long time right hey the Yellow Pages is still around even though I don't think anybody uses it so maybe take some of these things with a grain of salt right email marketing is still still very valuable one it's low cost and I say low cost I mean really low cost most of the time it's not like you most folks here probably don't have a list of 100 200 300 000 people right so nobody here is getting into this uh scenario where you're you're paying percent or you've

maxed out servers or anything like that uh if you are in that in that situation uh come talk to me afterwards because I think we can solve a lot of your your fund problems so that the cost problems a lot of different tricks and tools you can use to solve for that however uh there's the study I was reading a couple of weeks ago was talking about the value of email marketing and its use and one of the things that they that they stated was that nearly 50 percent of people in in the US sorry Colleen nearly 50 of people in the US have made

a purchase off of an email that they have received in the last year that's fantastic that's a really really really good conversion again because we're talking about such a low cost now High investment of time generally in the beginning but very low cost to maintain and to implement so uh email not to be slept on right there's a lot of value here and again it's at a very low cost this is also something that will build and grow over time so start now there's going to be another another conversation had internally of going oh

my gosh it just took so much time and I'm not getting results you haven't given it enough time again the most powerful tool in your tool belt is time invest the time to do it right and then allow the time for it to work so first thing you want to pick a platform that's easy to use and has Integrations right it's got to integrate with the tools that you use it's going to integrate with your CRM it's got to integrate with your website and your forms or your pop-ups or anything like that so you

know don't you can't just go out and find the cheapest or the free or something like that because most of the times it's not going to integrate with your tools it's going to end up taking you a lot more time to do what you're trying to do second is taking advantage of Automation and this has a lot to do with the Integrations that we chose right so you want to make sure that you've got an opportunities to use email marketing or email automation here too so just as a as a quick example of this

right I work full time I own a full-time business I have two amazing uh and exhausting young children you know I've got a lot on my plate right um but I like it that way and I couldn't be more more happy if I'm going to do something whether it's personal or even sometimes business research or something like that it's usually happening at night you know kids are in bed um you know wife's on Pinterest uh honestly for being honest she's playing with Legos all right Lego um and I'm doing whatever I'm doing all

right so I go to the website and I fill out the form now we're talking 11 30 at night right I don't anticipate that a sales person is going to call me immediately in fact I would hope that they don't I don't want to talk to you at 11 30 at night if I want to talk to you during the day I would reach out during the day now you're not the only website that I'm on I've probably got two or three websites up that I'm looking at and I'm going okay I want information from this one and I want information from that one

and you know what now that I thought about it I don't want to talk to them at all bye the website that emails me the information that I'm asking for the information that I wanted or at least communicates with me has a much higher likelihood a much higher chance of closing that sale down the road because they've already started the conversation so this is where automation comes in right you are probably not on your phone at 11 30 at night responding to my emails maybe you are uh you know get some balance please

but the emails that come back those are all automated emails right provide me with the information that I have asked for this is something that can be built left and forgot every time somebody fills out a form they get an email right they get a response now beyond that right they get that response and that response has uh something else in there to do oh schedule a time for our call Perfect all right I'll click on that and okay 9 30 tomorrow perfect that works click scheduled well now you've got a scheduled lead to talk to early in the

morning beyond that this customer has now taken a Next Step which allows you to use more automation now that they have clicked on that link move them out of this initial email campaign that just sends a welcome email into another one and this email this email campaign starts with how to prepare for our phone call what questions you should ask what questions to answer blah blah right and so that gets sent out almost immediately after they've clicked on the and scheduled a a uh a call with you so or whatever that happens to be maybe

it's uh purchasing something and they purchased it and they get the hey thanks for buying this product email right and then a little while later go maybe a day two three days afterwards you go hey yo thank again thanks so much we'd love for you to review the product have you reviewed the product yes no I'll take them through there oh thanks so much for reviewing our product would you like 15 off the the next time you order from us heck we'll just give you free shipping you know something like that all of

these pieces of email can all be built out in advance one time and then you never have to think about it again until you want to change things up right if something's not working so take advantage of the automation because it's going to make you seem a lot larger and it's going to take so much effort off your plate as a part of this as we're creating these emails you want to use catchy subject lines right now some studies are showing that emojis in the subject line are actually becoming too spammy uh and some email

systems are actually catching those and their Gmail especially uh starting to shunt them into the spam folder again when it first started it was very cool you know and now everybody's doing it so like whoa okay calm down but be smart with your subject lines try different ones use something catchy I always recommend whenever you can personalize the subject line if I we're all conditioned to when we see our name to stop what we're doing and to focus on that so if I get an email that says Brandon here's the information you

requested oh perfect now I know exactly what I'm gonna what I'm gonna see when I click on that email right hopefully this is the information I requested now if it's not I'm gonna be pissed but if it is you have already started to build some more trust into uh into my involvement with your organization right so personalize the subject line uh whenever you can and obviously content within the email as well one really important uh tip is to make sure that this is designed for mobile most emails that I read I read from my

phone right especially if it's a more of an ad right business correspondence yeah I'm usually sitting at my sitting at my desk or I'm on my laptop so you know whatever that's fine I'm reading that out of those clients anything beyond that anything personal that's all coming in on my phone right so you've got to make sure that not only does the email look good on a desktop but it also looks good on a phone iPhone and Android right uh Gmail and Apple Mail It's gotta look good on all these

uh standard mode and dark mode right I see that mistake a lot uh we're a little beautiful email and then about what is the 715 hits and my my phone changes and then that email looks terrible right can I get the black background and all that so you've got to consider how are you designing these for mobile as well and test them out this goes into the designing right test test test test test before sending now if you happen to send out an email with a broken link or the image didn't work or you hit send just too early

now didn't actually put a subject line just sends it out blank listen it's not the end of the world everybody on this call has received an email like that right we've all been there yes it's embarrassing Shake It Off send out another email haha sorry my mistake uh by the way here's 10 off your next purchase for needing to deal with two emails from me Perfect Right do something like that to generate a little bit of Goodwill a little humor um but you know always be testing before you send uh send out emails

couple of emails through these automations there's no scenario in which you can go oh man 10 emails have gone out and it's just not working the way I thought okay you're gonna need to wait a little bit longer 10 emails a a a a a strategy does not make or break right so we've got to analyze this we've got to learn a little bit more before we can say that we're going to um that that this is or is not working so that's email marketing that's the first one let's move on to uh the next

slide digital TV ads now I'm not going to spend quite as much time here but I do really like to talk about this one because it's fun this is fun to do right so digital TV ads now we've all seen them we've all received them uh whether it's on um you know our connected devices uh connected TVs Roku you know Netflix is getting into this now they've got an ad supported tier uh Hulu uh uh all these different um uh advertising opportunities right so all of this is digital TV ads they really do work and they're actually

very very Advanced with targeting which is wild you know the amount of targeting that they can do is really interesting based off of uh one where they gather this data to what they understand about the household not just you know not just the individual and based on shows that you're watching how you know similar or dissimilar you are to other audiences it's very interesting um interesting types of targeting that can be done here so very targeted which is great and you can also generally get very focused

geographically uh ZIP codes in the US I think are postcodes uh Colleen in Canada yep okay so you can get very very specific in targeting like I said I own a Halloween store online I'll sell Nationwide I mean I run my ads all over the place but my store I I don't need to be running ads uh for you know Denver which is an hour away I do want to run ads in Fort Collins but maybe specifically I want to run ads in a certain zip code a mile radius or a very targeted area around my store this will allow me to do that I can get

very very targeted which unlike traditional TV advertising you go you spend a lot of money you negotiate and you go okay I'm going to be on channel nine right well Channel 9 is a footprint this wide and it goes to Wyoming and it goes down to South Colorado and all this kind of stuff and you're buying you know okay well we'll get uh three premium slots and we'll get six bumper slots and then we'll get two uh they'll just kind of slide them in there right we're not talking about that that's not how this

works that is traditionally how traditional TV works so don't think about them the same way they are very very separate obviously this is going to require higher quality advertising components compared to some other channels because you're going to be on TV right you know so you've got to have a good commercial uh it's uh you've got to build something create something that generates a lot of trust and can tell your story so there is definitely an investment of building some high quality advertising but then

the actual cost is nothing like what you would traditionally experience on a traditional TV or something like that now again this build we talk about trust and awareness listen if you're on TV your brand is on TV it makes you seem to the consumers like you've got you you've just got it together uh you're really doing a good thing here you are uh you know you're telling a great story it starts to build trust because as consumers they they don't they're not really aware of the difference between traditional and

digital it doesn't make much it doesn't make a difference to them it's not something they're supposed to know stuff we know right so all they know hey you're on TV your brand is on TV and didn't they just see an ad for that earlier yeah I think I did oh did I also just yeah they've got a billboard or they're sponsoring uh John's baseball team you know oh yeah I saw that they were doing that too all these different pieces start to work together to build this brand and the brand awareness uh bonus to this is

obviously you can tell a really strong story in 30 seconds and you've got a captured audience so you can tell them exactly what they need to know about your business in 30 seconds captured audience really really powerful really really useful so there we go those are two things I think that are uh really on the uh on the edge here we didn't even uh we didn't even talk about Ai and uh chat GPT and all that kind of fun stuff which does give us a lot of really great tools to help with the creation here

um so these are two things I think that are really important for small business owners to focus on because they really work thank you very much and TV what better opportunity to you know create a jingle catchy jingle that people remember for years and years to come all right we've got one last poll here for everyone uh so a quick pivot to do you wish your business website looked better or could do more uh that might be features that might be conversion whatever that means for you so uh in the zoom platform please vote

pretty even split so far between no I'm not sure and yeah both all right great thanks for everyone for participating and uh on to the next slide Brendan all right yeah we wanted to to sneak this in here because uh let's be honest if you're spending money on marketing and you're investing time you're investing energy and effort into marketing most of the time you're going to be driving people back to your website and if your website is hot garbage if your website is trash all the marketing in the world is not

going to fix that so I wanted to make sure that we had an opportunity to discuss uh a couple of quick website design tips before we uh we kind of get closer to our q a so tip number one again mobile It's gotta look good on a cell phone it's got a little gun on a tablet It's gotta look good on a laptop gotta look good on a desktop now when uh when Mobile Traffic first started becoming a thing we would build the desktop website and the mobile website and then pick where where that traffic went to now we don't do that

there are still some some places that use that but that does not help anybody any at any point now you got two things to maintain anyway build a responsive website a responsive website means when it has this much room it lays elements out in the amount of room that it has when has this much room it changes those elements so that they stack differently it's responsive to the amount of of space that it has right so that way it can be shown both on desktop and on mobile and bouncing back and forth so if your website is not responsive that's

your first place to start you have to start with the with the the responsive design second reduce the content especially on your primary Pages way down most of the time people are not really looking to read a dissertation right so you don't want the content to wrap a whole bunch especially on mobile I don't want to have to scroll through to find the information that I'm looking for um you know go for go for those those big headlines the big pops because that's obviously what catches people's eye

that's what they look for just for you know give that information now it's not to say that after the fact right we we've done pretty much our above the fold uh We've created all our content this is everything that someone needs to know there's nothing to say that after the fact we can't have more content that is more uh for the Deep divers the researchers like me right that content can still exist but we want to ensure that you know most of the page is dedicated to work moving people through

that sales funnel and providing them what they're looking for tip three kind of falls into that as well open space keep those healthy margins right we want people to be able to read through the content and not have to fight through the content right so if the if everything is really really crowded that's not going to be very very useful um and finally big buttons clear buttons right your call to actions they've got to be large uh partially because we're doing everything on touch screens um or tablets touch screen

at most laptops these days touch screen right so we're not even using uh mice or other input devices we're using our finger so you got to make sure that on every one of those devices that that is something that can easily be done you know the easy to read easy to see easy to interact with so there's your four tips on Modern website design um if you have other questions about websites design uh we'll talk about a little bit that right here how can we help with marketing 360.

what do we do well we're an all-in-one marketing platform uh and we streamline your Tech stack with a full integrated Solution that's a lot of fancy words what it means is we take all of the different aspects of marketing and all the different aspects of digital and we bring it all together into marketing 360.

so not only can you interact with it in one place all this information can interact with each other in one place Google search console Google analytics all of your Social all of your uh your your payments your CRM your email your website all of this is tied into the marketing 360 platform it's all in one even just on saving costs on all these different disparate softwares we can usually end up saving our customers a couple hundred bucks a month now maybe you don't actually want to do all of this oh it's great to see all this stuff in one place but boy I'm not

a copywriter I'm not a designer I'm a I'm a business owner right I don't have the time to do that cool we can do that for you uh we've got 400 some odd team members all based here in the United States uh and we do that for you so you don't want to do the copywriting you don't want to run the ads don't want to do the emails don't want to do the design development anything like that we do as well we've got the tech and the talent to back it up and everything is custom tailored to you your business

your area your uh goals where you need to where you need to to be what you want to achieve that's us at marketing 360. thanks so much all right now I'll share a little bit about how benching helps so Benchmark marketing 360 our partners and what bench small business owners with expert will take the keepers all with the goal of getting your books up to date and IRS compliant um so we offer day-to-day bookkeeping and income tax filing and I'll get to it shortly but also retro award and catch-ups if you find yourself

um so how bench can help uh so if you improve your finances the idea is that you know a little less work is required in terms of income tax prep uh bookkeeping and inputs uh required for your accountant um as a bench client you get expert support any time um so clients have uh expert advisors that they have access to no extra costs they're available five days a week and are really just there to answer your personal finance questions uh personal business finance but I should say um I'm sure they've seen their tips too

if you were talk nicely to them um and yeah they can answer uh you know complex questions uh about you know where it's the deductions that you can that you can leverage different benefits that you have access to uh changes in tax code and uh you know just sort of reliable advice as well um through the bench platform we offer uh interactive and easy to read monthly Financial reports over the last few months it's really exciting it means that just within a few clicks that you can see you can have at a glance

um exactly where your where your business Financial Health stands so you have access to your your cash flow statements your income statements uh balance sheets and all of those important documents and that's all located in app and that's all drawing information from the connected bank accounts that you set up when you on board with bench so a very cool platform and you can see a uh what Victoria has to say here about her experience with benj and then I mentioned retro um there's some interesting stats but

it's thousands and thousands of Americans in mind on uh filing their small business taxes so if you do find yourself in this position just know that you're you're not alone at all life happens um and uh you know it's a day behind [Music] years and years behind and uh you know wherever you are that's okay um bench has a specialized team that is able to get you back on track offer that emergency support because they know you know if you find yourself in this position that it can weigh heavy on your

brain especially if you're running payroll and have other um you know you're trying to run your business and not just to worry about the IRS right um we have affordable payment plans uh we work with you to create a customized plan that works for you and then that suits your situation and you know if we're talking about being behind urgency and a quick turnaround time is important as well so we do pride ourselves in being able to complete years of bookkeeping uh in a matter of a couple weeks so uh that's bench

um there's some links here that we'll share in the chat as well on how you can get started with marketing 360. um there's some cool uh promo codes there as well to take advantage of and same thing over on bench so uh we've got just uh eight to ten minutes left I would love to hear any questions that uh that you might have either from the content that we have here or maybe Brandon if you wanted to kick us off with just a thought or two about AI I know you mentioned we haven't talked about that explicitly today but it's uh

it's certainly everywhere in the world so yeah I like how you're giving me that platform thank you yes please um throw your questions into the Q a or into the chat so we can get those answered uh but yeah one brief thing I was I actually was having a conversation with a young man yesterday um and he asked me do you think that AI is going to make uh being a small business owner and being a being a marketer easier or harder and I said it's both it's going to be both uh it's definitely going to make some things easier but

it's also going to make some things harder right because now you now we have to learn a little bit more about AI it's just another it's another tool it's another thing to research another thing to read about so if you're looking at it that way like it could be very exhausting right oh just one other thing I have to learn how to do on the flip side of this the amount of opportunity that you have I I don't have writer's block anymore I I ask a question I'll throw it out into uh into a chat gbt or

we have some internal tools here um for our team throw that in there get my all we're doing is just prompting and getting a response prompt get a response I'm I'm not gonna get writer's block anymore because I had a question I had an idea throw it in there I get a response it's great right um I can ask it to do research for me now I have to double check it because it may or may not be right but it gave me a starting point it gives me great starting point I don't have to get lost down the Wikipedia rabbit hole which by

the way is one of my favorite things to do let's just find the weirdest articles on Wikipedia they're great um always very helpful during trivia so yeah there's a lot of opportunity with AI uh if you're using it right and I think as we move forward we're going to find that uh people that are really good at prompts they're really good at engaging with AI uh marketers small business owners writers designers all that folks that are really good at prompting Ai and getting responses that they can interpret correctly are going

to start to outpace other folks they're just going to be able to move faster there's always going to need be that need for human element but uh yeah I think AI is a very very interesting tool for small business owners especially to keep a close eye on all right looks like we do have a question came in from Ronnie uh what's the best way to set up email automation is marketing 360 assist with this type of marketing yes we do actually the marketing 360 platform does have email marketing built into it that email

marketing is tied directly into the CRM that CRM is directly tied into forms those forms are directly tied into the website we built all of it so it all works together and it works together essentially flawlessly so yes we will help set up the email marketing we will help set up the automation um automation is basically a uh yeah it's most basic terms uh it's most basic is uh is it yes or no did a customer do this yes then then this happens you know if this then that okay did the person in the email do this

no they didn't okay then this happens it's just a a waterfall essentially you're pouring leads into that first email and then they're getting segmented out onto this list uh so yes that's uh that's kind of the easiest way to think about email marketing uh email automation uh but yes we do help set that up the next question is it true that Google can tell when content is created by AI uh within reason yes um there are some AI tools out there uh you know there's some colleges that have

recently um gotten themselves into the news because they're using AI um uh detectors and then finding out later on like they they told one person they couldn't uh graduate and then they found out later on that oh they didn't use AI whatsoever so yes and no um honestly I don't think Google's gonna care I don't think that like from a search engine optimization side of things I don't think they're going to Care Google is also doubling down and putting a lot of money into their AI tools so I don't

think that this is something that is going to negatively affect um like a search engine results or anything like that but I could be wrong I've been wrong before it's back in 93 when I thought I was mistaken okay uh what else what other questions uh Colleen do you have any on your side uh I had one what about uh attribution so we you talked about you know the different different tips and tools that you could use how you know as a business owner do you get like a dashboard with marketing 360 maybe to see that you know

at 10 of your leads are coming through emails yeah yeah so that's that's critical regardless of if you're using marketing 360 or not being able to understand where your mark what your marketing is working uh you know the the joke right uh I know half of my marketing works I just don't know which half you know that that's a real struggle it's a real problem for small business owners so you do have to be able to attribute where things are going uh at its most basic form you can do a lot of

that to an extent with Google analytics um you know Google analytics can really help you understand what's working and what's not um but you're gonna have to go to different parts and pieces right A lot of times you'll have to go to your email service provider you have to go to analytics you have to go to Google ads you have to go to all the different places to see what's actually happening uh where the conversions are coming from marketing 360 we tie all that together so it's all in one dashboard you don't

it's one click to find your information um but yeah attributing the marketing uh and understanding how marketing affects things down the road right you know I ran this ad boy this ad didn't get any results or did it right and how can we attribute things all the way down this funnel to see if it is affecting final uh transactions final conversions or if it truly is just just not functioning looks like another one we've got different areas of Google page that are paid and organic and does this change

um the different areas on Google that are paid they say add or they say sponsored or something like that usually it's three to four spots at the very top of Google anything in between is going to be organic you know if it doesn't have that add tag on it and then Google's kind of moving away from the clicking through to different pages they're just uh they're kind of just cascading now so you'll see another break of a couple of ads and then it goes back to organic uh you'll see the same thing at Google Maps if you

have a physical location again it'll say add or sponsored uh something like that so Google's always testing new things sometimes those uh those ad badges are green I've seen them green I've seen them blue I've seen them gray you know they're always changing and trying new stuff so uh yeah it can change often it might change for you and not for me you know and who knows but primarily the spots of Google are going to be that top three to four spaces but they will always say add on them so great questions though Ronnie

uh if you don't have a brick and mortar store is there anything that folks can do regarding like local search and map ads for example so your e-commerce store is there any tips that way so you're really not supposed to if you don't have a local footprint you cannot be on mems right that's kind of that's kind of the rule um there are ways around that but it's not not really going to provide a lot of value in that instance also if what you're selling is Ecom only you don't want to confuse your customers and make

them think that they could just come pick it up or that they could see it or look at it something like that so I I generally wouldn't recommend that course of action uh especially if you're selling a widget or something it's also something to be said for if you are a service provider and you're trying to Market outside of your service areas right like if you're based in uh Dallas Texas but then in Houston you know a big hail storm and you want to go down to Houston uh because you're a roofer right

(1:00:10) you're not really going to be able to be like oh I have a physical location down here oh I'm definitely local uh you just want to run your intent based ads you know and be upfront and honest with uh who you are and what you do honestly being fourth right is always the best policy right that's right yep honesty awesome well thank you everyone for participating for joining and being an attentive audience today um you will get a link to this recording uh shortly in your inbox and uh yeah Brendan and the team at marketing360 and

(1:00:44) myself and the team Adventure are happy to answer any questions you have and support you on your small business Journey so thanks again and have a wonderful day everyone see ya thanks everyone

1. **How To Calculate Estimated Tax Payments - YouTube**

**URL**

<https://www.youtube.com/watch?v=1RXadrhca4c>

**Views and time:**

2.7K views / 6 years = 38VPM

**Keywords:**

bookkeeping, accounting, business, taxes, tax prep, bench accounting, bookkeeping basics, bookkeeping business, bookkeeping for small business, accounting basics, accounting 101, financial accounting, taxes 2020, taxes explained, taxes 2021, how to do bookkeeping for small business, simple bookkeeping for small business, small business, tax preparation, tax preparer, 2019 income tax preparation, tax return, how to file taxes, 2020 income tax preparation, irs, income tax,

**Transcript:**

**No transcript (Music)**

1. How to Reduce Your Tax Bill With Itemized Deductions - YouTube

**URL**

<https://www.youtube.com/watch?v=eo2lR2ysdsQ>

**Views and time:**

10K views / 4 years = 208VPM

**Keywords:**

tax season, tax, tax bill, deduction, tax deduction, taxes, tax deductions explained, tax declaration, tax deductions for self employed, tax season 2021, taxation, income tax, bench accounting, bench accounting bookkeeping, small business, tax reform, deductionist, income tax calculation, how to calculate income tax, income tax calculator, us tax reform, trump tax reform, tax season 2020, taxes 2020, taxes 2021, federal income taxes 2021, income tax 2021, income tax new rules,

**Transcript:**

hey what's up everybody it's brennan from bench back here as you can see i've got my sweater on it's getting colder out that means we're approaching the end of the year and unfortunately at the end of the year also means tax season and of course the question that's on everybody's mind going into tax season is how do you pay the smallest amount possible in taxes well here's something you can do this tax season that you don't have to be a tax with to take advantage of this is

going to apply to sole proprietors contractors or freelancers basically anybody who's going to file their taxes using form 1040. every year you make a choice when filing your taxes about what deduction you're going to take now it's time to actually understand this decision and how it can save you money on your tax bill if at any point in this video you're looking for more information or additional reading i'm gonna have links to bench blog posts down in the description below to talk about both the standard

deduction and the itemized deduction they'll provide you with a bit of a deeper dive into this subject so now it's covered let's get into it i just want to quickly talk about taxable income and how it affects your tax bill your taxable income is going to be this adjusted gross income number that you calculate on your form 1040 minus the tax deduction and this is ultimately where you're going to have the choice you're going gonna choose between taking the standard deduction and the itemized deduction to bring some

clarity to this decision let's take a look at the itemized deduction first because that's gonna require tracking certain costs that you have throughout the year these costs include your medical and dental expenses state and local taxes paid the interest you paid on your mortgage gifts to charity and any losses from casualty or theft at your end you count up all of these expenses and then calculate your total tax deduction amount i'm gonna go more into detail about what falls into these buckets later on and how to

calculate it but for now let's compare that to what the standard deduction is in comparison the standard deduction is an amount that's set every year depending on your filing status it was introduced in 1944 with one goal in mind which is to make tax paying easier today it's so common to take the standard deduction that about 70 percent of taxpayers end up taking this option but that doesn't necessarily mean it's the right choice for you with the standard deduction being a set amount there's no crazy calculations or tax

law know-how that you need to do to try and find out whether to take the standard deduction or the itemized deduction you basically just need to look for whichever of those two numbers is bigger for example this year the standard deduction is set at twelve thousand five hundred and fifty dollars for single taxpayers eighteen thousand eight hundred if you're a head of household and twenty five thousand one hundred dollars for married individuals who are filing together so with those numbers in mind now you know what you need your itemized

deduction to add up to what you can compare it to and decide which one of those two choices is right for you now to calculate your itemized deduction the best place to start is with schedule a it's the part of form 1040 that's dedicated to calculating your itemized deduction now i'm actually going to have a link to this down below in the description so you can download it and follow along with this video presentation it's going to be broken out into multiple sections and the sections correspond with the

different expense types so there's going to be five total sections the first section is your medical and dental expenses then you have your state and local taxes paid the interest you've paid on a mortgage your donations to charity and then finally any losses due to theft or casualty and of course since it's taxes it can't be as simple as combing through your bank account and adding up these numbers there are going to be some catches so let's go through these one by one and make sure you're doing the calculation

right now this is where i highly recommend following along with that schedule a once again the link is down below in the description so you can download a copy of this form online and you can follow along starting with the medical and dental expenses you're going to start on line one of your schedule a which is adding up all your eligible medical and dental expenses over the course the year it's going to include your health and dental insurance premiums any medical examinations or medical testing if you have something where you're not

quite sure if it's eligible the irs offers a pretty comprehensive guide on what can be included here so if you've got anything unsure about that's a great place to check the catch with medical expenses is that you can only claim the expenses that are over 7.5 percent of your adjusted gross income and if you're worried about doing this calculation on your own don't worry about it it's all taken care of on the form lines two to four of the schedule a are going to be the calculation of that

seven five point five percent of your adjusted gross income you will take your adjusted gross income number from line 7 of your form 1040 multiply it by 0.075 and subtract that number from line one the number that you're left with is your total medical and dental expenses minus that 7.

5 percent of your adjusted gross income and that's what's going to count towards your itemized deduction next up are going to be those local and state taxes you've paid line 5a will let you choose between whether you want to include your state income tax number or your general sales tax you can't use both so how do you make this decision well for nine states without income tax on your earnings that's a pretty easy choice so if you live in alaska florida nevada south dakota texas washington or wyoming you have no ink state income tax if you

live in new hampshire or tennessee you don't have income tax on your wage earnings you only have tax on investment income so that's a really easy decision to make for those nine states otherwise you'll have to stay on top of your state income tax number and general sales tax paid throughout the year to determine which number is best for you but fortunately as with all things tax there's always a paper trail and documents that they're asking you to keep so these numbers should be pretty accessible line 5b will be where you

include any personal property taxes so do not count any property that was used for business purposes line 5c is where you get to include any other personal property taxes that aren't real estate that includes any taxes paid on things like cars or motor homes so long as that tax is levied annually and is based on the value of the property now lines 580 to 5d are going to be capped at 10 000 total you can only put ten thousand dollars towards your itemized deduction so for line five e you will either put your total from lines five

a to five d or ten thousand dollars it's going to be the lesser of those two numbers then finally line six will be for any other taxes and it really only includes two types of taxes which is your income taxes paid to a foreign country as well as any generational skipping tax or gst that was paid on income distributions for mortgage interest it's actually going to be for mortgages or loans that were taken out for the purchase or improvement of property that will be eligible to record in this section this

will also be recorded on form 1098 which will have to be filled out anyway if you paid more than 600 in interest on your mortgage throughout the year your deduction will be limited based on your mortgage amount if you took out your loan on or after december 15 2017 you can only claim interest on the first one million dollars of that mortgage if you took out your loan before that date you can only claim the interest on the first 750 000 of your mortgage and that's because it's a change that was implemented

with the tax cuts and jobs act of 2017. so if your mortgage amount is less than 750 000 you don't really have to worry about this and you can just use your mortgage interest that you paid throughout the year but if it isn't uh you'll have to do some checking to see how much interest you can actually record here that's going to fill out lines 888c and line 9 will be used to record any investment interest and that's only going to be applicable if you're filling out form 4952 next we're going to move on to

donations to charity which you're probably already familiar with because the super common way for both people and businesses alike to curb their tax bill you'll use the donations to charity to fill out lines 11 and 12 on your schedule a line 11 is going to be your monetary donations which is going to be anything paid through cash or a check while line 12 is going to be the value of any other donations which is going to include clothing household items or even services that you've provided generally speaking you can only deduct

these donations up to 60 of your adjusted gross income so if you've got a hundred thousand dollars is your adjusted gross income on your form 1040 you can only deduct donations up to 60 thousand dollars now the final section is a little more niche it's lost due to theft or casualty and if you're filling out form 4684 this tax year you will take this number from line 18 of that form otherwise this does not apply to you and that pretty much covers how to fill out your form schedule a but before you start digging

through your receipts and transaction history i want to provide you with some quick rules of thumb for checking whether the itemized deduction is right for you so you don't sync all this time into doing the calculations if it's not going to net you anything in the end now there are three main groups of people that are going to benefit from the itemized deduction the first group is for people who have large mortgages if you're going to have a large mortgage you're likely going to have a large mortgage interest number on your

schedule a when deciding whether to take the itemized deduction this is the best place to start because it can easily bump your itemized deduction over the standard deduction the second group is going to be for those that paid a large amount of property taxes or sales taxes and don't just look at the property taxes you pay on your real estate but anything else that's eligible as well also look at how much sales tax you paid through your business as much as it can pay you to pay out that sales tax throughout the year

here's the opportunity where it's really going to benefit you by reducing that tax bill but simply put the more you own and the more that you sell through your business the more the itemized deduction can potentially benefit you just a reminder that that tax section is capped at ten thousand dollars though the last group is going to be individuals who had high medical and dental expenses throughout the course of the year that's going to make the itemized deduction a great fit this is especially true if you have a

low adjusted gross income remember that you can only deduct what's over that 7.5 of your adjusted gross income so for that rule of thumb more of your income that's going towards medical and dental expenses the more that the itemized deduction is going to benefit you so as of right now as of today what can you do for this upcoming tax season to make sure that you're making the right choice but what deduction to take well just take a moment to reflect back on your year most taxpayers are going to take the standard deduction and the

system is designed that way it's structured so that the majority of people will have a higher standard deduction than itemized deduction that way they don't have to do the calculations and tax paying is made easy but let's say you had high medical and dental expenses or maybe this is your first year with a mortgage in that case it's probably time to revisit which deduction you're going to take this tax season and you can make this decision easier now consider tracking this information throughout the year

in excel or google spreadsheet anytime you make an eligible payment just record that number in the spreadsheet then keep a digital copy of that document online in a dropbox or a google drive for easy reference by keeping a tab of this number you'll prepare yourself for this decision you'll already have an estimate of what that itemized deduction might be and then you'll have all the documents to refer back to when it comes time to fill out the form and there you have it the deduction you choose is one simple decision that

affects your tax bill for most you'll take that standard deduction but for others the decision is going to save you money on your tax bill so you can just keep reinvesting it into yourself and your business and that's going to do it for me thank you so much for joining me and hopefully this is going to help you reduce your tax bill this season as i mentioned before we've got blog posts down in the description that goes into this information a little bit of a deeper dive if you want to do some further

reading on your own time we also have a tax tip section on our blog that's dedicated to breaking down these forms and credits and deductions to make sure that you're equipped with the right information going to tax season also you can follow us on twitter we're just at bench and if you subscribe to us here you'll be informed anytime we've got a new video out with more information that can benefit you thank you so much for joining me

1. What Happens If You Don't File Taxes With The IRS - YouTube

**URL**

<https://www.youtube.com/watch?v=j2YnA1eDS_g>

**Views and time:**

3.1K views 3 years = 86VPM

**Keywords:**

No keywords

**Transcript:**

hey there i'm oscar and i'm jillian from bench at bench we believe that staying on top of small business finances should be simple and straightforward that's why we're here to help with everything from bookkeeping to tax prep and advisory today we're going to talk about what happens when you get behind on your business taxes staying up to date with your taxes is important since falling behind could lead to unexpected bill from the irs before you panic though take a deep breath life happens and it's easy to get

off track you're not alone either more than 7 million americans miss their tax filing deadline every year the irs takes owed taxes pretty seriously which is why back taxes are a problem you can't afford to ignore unfortunately if you do nothing things can snowball pretty quickly if you're behind on your business taxes we'll tell you what to expect and how you can move forward though business owners can and do fall behind on their employment and sales taxes today we're going to talk about the most common issue

income taxes now when we talk about falling behind on business taxes that can mean a number of things and each situation is unique but for this video we're keeping it simple and talking about not filing your taxes or not paying your taxes or most often both if you fall into one or both of these categories first you'll get hit with penalties both for failing to file and failing to pay the size of these penalties will depend on how much you owe and how long you take to file or pay if you don't pay your owed tax on time

the standard penalty is half percent of the unpaid tax for each month it remains unpaid if you don't file your tax return by the deadline provided you haven't filed for an extension the penalty is much bigger five percent of the unpaid tax for each month that that return is late both these penalties max out at 25 of the tax amount owed which means that the larger failure to file penalty maxes out after five months now if both penalties apply in the same month the maximum penalty applied will be five percent

you'll pay the half percent failure to pay penalty and a four and a half percent failure to file penalty when those five months have passed and the failure to file penalty is maxed out the failure to pay penalty will continue at half percent per month until you either pay or it also maxes out at 25 45 months later here's a top tip as you probably noticed the penalty for not filing your taxes is much larger than the penalty for not paying your tax so even if you think you can't afford to pay it's a good idea to file your return and

pay whatever you can to avoid the most painful penalties some of these penalties can be waived provided you satisfy certain conditions don't worry we'll cover that in a later video in this series now on top of penalties the irs charges interest as well the actual rate varies depending on the federal interest rates but it's currently around 3 percent interest is applied every day you're late and it's applied to the total of your owed tax plus any accrued penalties all this is getting pretty complicated

so let's take a look at a rough example to give you an idea of how it all works so imagine you owe 10 000 in taxes and it's ten months after the deadline and you haven't filed your return or paid the tax for the first five months you'd pay a four point five percent failure to file penalty of four hundred fifty dollars and a half percent failure to pay penalty of fifty dollars over the next five months you'd pay the half percent failure to pay penalty of 50 bucks each month and this means your

total penalties after 10 months would be 2 750 dollars and your total amount owed including penalties would be twelve thousand seven hundred fifty bucks now interest would then be applied to the total of the tax debt plus the penalties the calculations the irs uses for working out interest are complex and they vary depending on particular circumstances but that said in this example you would be likely paying at least another three hundred bucks in interest taking the total uo to over thirteen thousand dollars a thirty

percent increase on the original amount if you're thinking okay i don't owe any money on my taxes but i haven't filed for the last couple of years we have good news and bad news for you the good news is that you'll dodge the failure to file penalties the bad news is you're in danger of losing refunds owed to you if you still haven't filed your return after three years the irs withholds your refund which means you're no longer eligible to receive it we know the irs applies penalties and

interest to any taxes you owe when you fall behind but how do they calculate your debt if you haven't filed your taxes when the irs is trying to figure out how much money you owe they file something called a substitute for return they look through all the public information they have on you including bank records records of wages and any contractor payments made to you by other people and come up with a number of what you should owe the problem with this is that the irs only uses your recorded revenues to

calculate the taxes owed this makes the number that they come up with way more than what you would owe if they included your tax deductions and credits that's because tax deductions and credits lower your taxes what's worse the penalties and interest charges are then applied to the inflated owing amount essentially compounding this inflated amount that you owe if you find yourself in a situation where you owe more tax than you can afford to pay we know can seem pretty scary there are several options for

moving forward we'll cover them in detail in the third video in the series however the best place to start is to file any missing tax returns by doing so you can accomplish three things one show the irs that you actually owe much less in tax than they may have calculated in the substitute for return two stop the failure to file penalties from building up and three put yourself in a better position to negotiate with the irs about your situation if you need to get your years of tax returns sorted out bookkeeping is the

first place to start that helps you create the necessary records of your income and expenses for those missing years making it much easier to file your taxes bench retro bookkeeping service completes years of historical bookkeeping fast our dedicated team is here to help out folks in situations just like these if you're interested in receiving help from a specialized team of experts to get you caught up and ready to file your back taxes you can book a call with a member of our team using the link below what happens when even after being

warned about penalties and interest and being told how much the irs thinks you owe them you still don't pay one way or another the irs will come after you for the money you owe them check with the following video in the series for a detailed look at how the irs collections work and what you might expect to see when you owe them money

1. How the IRS Collects Unpaid Taxes Owed To Them - YouTube

**URL**

<https://www.youtube.com/watch?v=pwWnZ5RgTYg>

**Views and time:**

1.1K views / 3 years = 31VPM

**Keywords:**

No keywords

**Transcript:**

hey there oscar from bench here bench is the all-in-one bookkeeping and tax service your small business has been looking for our service is powered by real humans a simple intuitive platform and expert advice you can rely on in part two of this video series we'll cover how the irs goes about collecting unpaid taxes now according to commissioner chuck rettig the irs loses as much as a trillion dollars every year in unpaid taxes with losses like these you can understand why they're so serious about chasing down outstanding

debts in our first video we went over some of the initial consequences of not filing or paying your taxes things like penalties interest and substitutes for returns if you've ignored these warnings the irs will step up its efforts and before we get into collection methods it's important to know that the irs communicates all of its decisions and processes via a wide array of different notices and letters that they mail to your address if you're behind on your taxes here's what you might find in your mailbox

the irs's preferred method of communication is good old snail mail now quick tip while on the subject make sure your address with the irs is up to date there are loads of different notices and the irs sends them for a variety of reasons generally the irs uses these notices to tell you what they know or think they know about your tax situation and they inform you of the actions they intend to take it's wise to pay attention to what these notices are telling you as if ignored eventually these notes are going to

become warnings that things are about to get much more serious each notice or letter will have a corresponding code let's have a look at some examples cp2000 the cp2000 is a relatively common notice telling you the amount of income reported on your income tax return doesn't match up with the information the irs has received from third parties this can happen if you received income from a second job at some point in the year but forgot about it at tax time whilst this notice is not a tax bill you should still follow the instructions and

timeline for responding as there are additional penalties and interest to face if you don't cp 2566 the irs will use this notice to tell you that they haven't received your tax return and therefore have calculated your tax penalties and interest based on other records they have for your income like those received from your employer or financial institution cp 504 if you have a tax balance that you've left unpaid the irs will eventually send you a cp 504 notice known as a notice of intent to levy the cp504 lets you know that the wheels

of irs collections have started turning and enforcement tactics are to be expected if you continue to do nothing letter 10 58 if you continue to do nothing you could receive letter 1058 in the mail this letter is sent by a revenue officer rather than the irs's automated system it's what's known as a final notice of intent to levy it's serious stuff and if you fail to respond within 30 days the irs has the right to begin aggressive collections proceedings against you the irs sends all these letters to

encourage you to respond take action and pay what you owe now if you happen to disagree with what these notices are telling you it's a good idea to take action as soon as possible if you don't do anything the irs collections division will step in and their enforcement tools can make life pretty difficult for you the first enforcement tool the irs will use is called a wage garnishment when the irs garnishes your wages they force your employer to pay a percentage of your wages directly to them until the

tax debt is paid when does something like this happen an example would be if you fail to report income from your side hustle that you've earned on top of your regular salary when garnishing your wages the irs won't take everything they'll leave enough for you to cover living expenses but the amount they leave you is based on general standards not tailored to your specific circumstances when this happens there is nothing your employer can do if they don't comply with the irs they risk major fines for the business

if an assessed tax amount remains unpaid after a series of letters and notices the irs can issue what's called a lien on your business or your personal assets while the irs doesn't take anything at this point a lien means that they're staking their claim of ownership on enough of your assets that would be required to pay back the debt these assets can include bank accounts business property personal property essentially if you file as a sole prop or a partnership and even other personal assets like cars

boats and more even though the irs might not take anything at this point a lean is still a very serious step not only is it a warning of what's to come but leans a public record and anyone will be able to see if one is attached to your business liens can make it particularly difficult to secure a loan or investment in your business investing in a company is much less appealing if lenders know that you have to pay back the irs before you can pay them back your loan if liens secure the irs's interest in

what you own levies are the enforcement tool they use to take it once a tax lien has been ignored for long enough the irs sends you what's called a final notice of intent to levy from here it gets pretty ugly the irs can seize property and other personal assets and will sell them in order to pay back your tax debt they can even take money from your bank or investment accounts holding in escrow for 21 days before taking it for good levies are the irs's last resort they only use them after plenty of time has

elapsed and multiple notices have had no effect no matter what it pays to take action on any tax debt long before levies come into play we'll talk about how you can do this in the next video the irs handles most tax debt using wage garnishments liens and levies however if they believe there is clear intent to evade taxes combined with a failure to file that's technically a criminal offence you could end up in court subject to fines or even in jail cases like these are extremely rare but they do happen the irs takes collecting taxes seriously

so getting ahead of the problem and caught up on your taxes before things get to the collection stage should always be plan a at bench we have a dedicated team of historical bookkeeping specialists who help business owners just like you get caught up on their taxes fast no matter what stage you're in and what notices you've received our team can get to work completing your book so you can easily file your overdue taxes and get in the clear book a free call using the link below to speak with us and learn how we can get

you back on track if you're years behind and your tax debt has grown to something you just can't afford to pay don't worry you still have options in the next video we'll learn what these are see you [Music] there you

1. What To Do When You Can't Pay Your Owed Taxes - YouTube

**URL**

<https://www.youtube.com/watch?v=DbwTHpFST4g>

**Views and time:**

1.4K views/ 3 years =39VPM

**Keywords:**

No keywords

**Transcript:**

hey there jillian from bench here we're your small business financial experts ready to help with everything from bookkeeping to tax prep and advisory it's time for the final installment in our series on what happens when you get behind on your taxes in our first video we talked about irs penalties interest and how each is applied in the second we learned how the irs collects its debts now we talk through what you can do to get back in good standings with the irs we'll start with the most straightforward option close out your

debt by paying it off if you're not too far behind or your tax debt isn't that big it's easiest to pay the tax in one go and move on the thing is you might not be able to afford that especially if your tax set includes several years of accumulated taxes plus penalties and interest if this sounds like you don't worry there are other options let's talk about what you can do if this applies to you if you can't afford to pay off your debt with one lump sum the easiest way to balance the books with the irs is to pay

what you owe on a payment plan or what the irs sometimes calls an installment agreement as you can probably guess this plan has you paying smaller amounts each month until the debt is fully paid your monthly payment is based on what you can afford when you apply for an installment agreement you're required to provide a clear picture of your financial health including how much you make each month and your typical outgoings you can't apply for a payment plan until you have filed all your outstanding tax returns this is where

bookkeeping will come in handy having properly completed books will provide you with the information you need to file your prior year's tax returns sometimes it's possible to settle your tax debt with the irs for much less than what you owe this is called an offer in compromise you can show that a payment plan will cause you financial hardship and that you will be unable to pay your taxes otherwise you may qualify for this option the irs is pragmatic after all they'd rather get some of what's owed to

them than nothing at all to successfully apply for an offer in compromise you must be able to give the irs an accurate sense of your business's ability to pay this means providing detailed financial statements that show your income expenses and relevant assets you can get these statements from your bookkeeper finally you may be granted temporary relief for paying your tax debt the irs only grants temporary relief in exceptionally rare circumstances where the debtor can prove their current financial situation does not allow for

any payments at all similar to an offer in compromise in order to apply for temporary relief you'll need detailed proof of your financial status while temporary relief may seem like the preferred option the irs will only grant the status until your financial situation improves it's not a complete pause in your debt either penalties and interest continue to accrue during the relief period until you make repayment arrangements following this option will likely lead to more debt in the long term luckily it's not uncommon to have your

penalties waived if this is the first time this has happened to you you filed all missing returns or have an extension and you can demonstrate to the irs that you've acted in good faith and your non-compliance with the result of reasonable cause you could qualify for what's called penalty abatement the irs gives a few examples of situations that can constitute reasonable cause for failing to file a return or pay tax when do fire or other natural disasters an inability to obtain records death or serious illness either to you

or a member of your immediate family these are just three examples but the irs does make it clear that they are open to considering other reasons or situations you'll have to demonstrate that you took business care and prudence to meet your obligations but were simply unable to do so as you could probably guess if you want to have your penalties waived it's a good idea to have proof of the reason or event that stopped you from filing or paying your taxes when the irs waives your penalties this also reduces the amount of interest you have

to pay since they calculate interest on a total that includes penalties so no penalties means lower interest win win as you now understand there are plenty of strategies and courses of action available to you if you find yourself in arrears with the irs if you're motivated to do so have the time and are confident in your ability to navigate the processes and phone lines it's absolutely possible to negotiate an arranged payment with the irs yourself you can check the irs website for more specific information there is a ton on

there however if you're like most of us and know that the taxes and the irs can be confusing and intimidating enough on their own dealing with them can be overwhelming especially when you're trying to run your business at the same time here at bench we talk to business owners every day in all types of tax debt situations who want to get back on track and move ahead with their lives but don't know where to start thankfully there's plenty of support out there make sure you find the right kind of help in

your situation certain professionals like enrolled agents cpas and tax attorneys are allowed to represent you in front of the irs these pros have the required qualifications to act on your behalf they are able to negotiate down your balance set up payment plans get penalties waived and more however the tax resolution industry is also full of unqualified folks who fail to act in their clients best interest and tend to exploit people in challenging situations it's not easy to tell the difference between a legitimate resource and a less

trustworthy one either at bench we have partnerships with trusted tax resolution professionals and firms across the country these are experts that we know and trust and do fantastic work with the utmost integrity if you're in need of help with a historical tax issue we're happy to make an introduction in this short series we've covered exactly what can happen when you don't file and pay your taxes from penalties and interests through to notices levies and offers in compromise most often the reason for falling behind

on filing and paying your taxes is not completing your bookkeeping it's also the first thing to address in order to get started getting caught up to start your resolution with the irs you'll need accurate financial records for your businesses for each year of missed filings these financial records which are generated by your bookkeeper are used for tax returns and will demonstrate how much you can afford to pay the irs this is where bench comes in as your small business financial solution we'll pair you with a

specialized historical bookkeeping team to get your books up to date with accurate bookkeeping records you can identify your available tax credits and deductions to demonstrate your actual amount owed to the irs which again can mean a lot lower than the amount that the irs thinks you owe them if you're then looking to negotiate your balance with the irs or set up a payment plan but don't want to battle the irs alone as a bench client you'll have access to our incredible network of partners we'll

be happy to connect you with the help you need we're here to help you get back on track and ready to move forwards with your life as quickly as possible click the link below to book your call today to speak to our team we'd be delighted to listen talk to you soon you

1. Filing 1099 Forms: What You Need To Know - YouTube

**URL**

<https://www.youtube.com/watch?v=tTsQuFGv3cw>

**Views and time:**

15K views / 3 years = 417VPM

**Keywords:**

No keywords

**Transcript:**

[Music] hey everyone taryn from bench here today we're going to dive into 1099 forms and how to file them first up what is a 1099 form a 1099 is used to report non-salary income to the irs for federal tax purposes there are two types of forms you need to consider first the 1099 nec is for reporting payments to independent contractors gig workers or non-salaried individuals and finally the 1099 misc is used to report miscellaneous payments like rent or royalties so how do you know if you need to file a 1099 form

basically if your business paid an independent contractor or self-employed person 600 or more throughout the year you're responsible for issuing them at 10.99 you'll also have to file before the irs deadline there are three you need to watch out for 1099 nac january 31st 10.

99 misc february 28th if you're paper filing and 10.99 misc march 31st if you're electronically filing filing 1099 forms can be tricky but bench is here to help support you and your business we can't assist with the filing process directly but we can help with reporting your bookkeeper can track your 1099 eligible payments throughout the year and total them in a report so you have everything you need to file here's how it works and what we need from you before we can complete your 1099 report you'll need to confirm the following info checking account statements for the

tax year the total amount you paid contractors during the tax year the total amount of rent you paid during the tax year the contractor's legal needs your bookkeeper will need you to confirm this info by january 14th this gives us enough time to complete your report and gives you enough time to file comfortably ahead of the january 31st deadline your 1099 report will include contractor names totals paid in a year nec and misc identification so when you're ready to file you can take this report directly to your cpa or use it to

file on your own with an online filing service that's it if you have any more questions about what 1099s are how to file them or key deadlines reach out to your bookkeeper we're here to help and for more bookkeeping and tax resources check out the bench blog you

1. How to avoid IRS Audits as a Small Business Owner | Bench Accounting - YouTube

**URL**

<https://www.youtube.com/watch?v=V9TnzwGtaLk>

**Views and time:**

74K views/1 year = 6,167VPM

**Keywords:**

No keywords

**Transcript:**

foreign taxes as a small business owner can be extremely stressful and recently the IRS just received 80 billion dollars in funding to strengthen enforcements and increase audit rates now I don't want you to be stressed out because in today's video I have the perfect solution to help you get your bookkeeping and accounting in check so you can avoid an IRS audit let's get into it what I want to do real quick is just jump into this article that just shows that the IRS received 80 billion dollars in funding to strengthen

enforcement and increase audits what does this mean for you well you have a chance of being audited and if you are not prepared if you don't have things in check if you don't do things right the first time the chances of getting an audit is going to increase and then if you do get an audit and if you don't have things organized it's going to be a complete nightmare I have the perfect solution to take the Stress and Anxiety that taxes and bookkeeping brings to your business bench they specialize in

it so for me I can focus on my business while they focus on my finances and my Bookkeeping on things that I am not an expert in so let's come over here and like I talked about this is a huge Pro of why I go with bench says America's largest professional bookkeeping service for small businesses they specialize in small businesses they're the largest professional bookkeeping service for small businesses they understand how small businesses work biggest question that I get is hey Trevin how do I do my

taxes simplest response is get a good bookkeeper get a bookkeeper that can do your books and accounting for you so that at the end of the year you have all the financial statements everything and you just literally need to give it to a CPA you can have bench do it for you to submit your tax returns and it's done they have a proprietary software that you can actually log into your account and you have your income statement you have your balance sheet you have your documents you have literally everything right at the tip of your fingers so

what's cool is you don't have any extra software fees it's month monthly payment that includes the software and it includes a bookkeeper [Music] foreign

1. Tax Troubles? 3 Steps to Financial Success - YouTube

**URL**

<https://www.youtube.com/watch?v=qeMADxR7Ckc>

**Views and time:**

33 views 1 year = 3VPM

**Keywords:**

No keywords

**Transcript:**

yeah Welcome to our webinar wanted to thank you all for joining me today as we dig into a common challenge that a lot of business owners face and that's falling behind on their taxes and before we get started uh we'd love for you to help give us a sense of where you're all at today um quick fact did you know that one in five business owners fall behind on their taxes and if you fall into that category don't worry you're taking the first step um so congratulations and and thank you for joining us today um in the meantime

we'll give people some time to filter in over the next couple minutes um and yeah to get started we' love to hear in the chat where you're tuning in from be sure to um change your chat message setting to panelists and attendees so everyone can see your um your notes and your posts and feel free to chat and interact with other business business owners in attendance because you really never know um what a new connection could turn into uh joining me as well is my colleague Alex who will be also tuning into the

chat during the first part of our presentation and he'll be around to answer any questions that that you might have during that time um as well if you're an existing bench customer let us know um we're we're happy to to have you here and want to thank you for joining us today as well and you'll see here is we have our first poll set up and we'd love for you to vote let me just give me a second to pull up the poll and um poll here is asking on a scale of one to five how confident are you in the current state of your

financial records and tax compliance one being not at all confident and five being absolutely very confident so I'll give folks um a couple minutes just to um fill out the the poll and then I will share some of the results right I think most of us have answered the poll I'm just going to pull up the results here uming everyone can see them

um but what we see here is that about 60% of you have said um and answered one in that you are not at all confident about um the current state of your financial records and and tax compliance um that's that's definitely something for for us is we're we're really glad that you're joining us here today as um purpose of this is we're going to help you feel more confident and give you knowledge on how to get yourself uh back on track okay great so before we dive into our topic today I'd like to make a land acknowledgement

I am located in Toronto and it's the traditional territory of many nations including the Miss sagas of the credit the yish nebec the chipa the hod Nashi and the wendat peoples and is now home to many diverse First Nations in uids and metis and let's just hop into our agenda now I'll start off with um some introductions and then we'll jump into talking about um how many business owners end up falling behind in their taxes and specifically what to do if you fall behind and the steps to take in

order to get caught up we'll then have a live Q&A session for you to ask us any questions and as well as um feel free to ask your questions live in the chat uh my colleague Alex who you'll get to know in a minute will also be available to answer your questions let's get started with some introductions um my name is Joyce I work at bench which is a full service bookkeeping and tax filing solution for small businesses I work in marketing and we'll chat a bit later on how bench can help business owners get caught up with

their bookkeeping and taxes and joining here joining me here today is Alex and I'll let him talk a little bit more about himself hi there everyone um thank you for coming I appreciate it so um yeah I'm a team lead for Partnerships and sales for the bench retro Department in specific and so we help business owners every single day um hundreds and hundreds of them come to our website to basically deal with exactly what you guys are dealing with now um either are not confident with their historical financials their historical tax

situation and we help them get back on track so happy to be here today to go through some of that with you all great and we also have Bob Crane here fix your tax problem um you'll hear from him in a few video clips he's prepared for us and he'll also be available during our live Q&A to answer any questions um Bob did you want to give yourself a quick introduction to everyone here yes sure I'm I'm a partner in fixture tax problem and we've been doing this work for 25 years all across 50 states in United

States and we're really happy to be partnering with bench as they solve a critical problem that all my clients need we can't do their back tax prep if they don't have their bookkeeping and their profit and loss statements for accuracy so we love working with bench they handle uh now all of our clients that need bookkeeping we send to them so thank you Joyce thank you Alex for having me today awesome great thank you so much Bob okay so without further Ado let's get started okay so life happens and whether your

business starts to get really busy or you're going through a major life event it can get really easy to start falling behind and you're not alone in that we find that about 20% of people who sign up for bench have back tax problems and according to tax guard one in five small businesses in the United States owe the IRS but with that that means is by not paying taxes you could face a failure to file penalty which can then be levied even if you owe no taxes or or even do a refund and you have to keep in mind that

all taxpayers including individuals and businesses will face a late filing and payment penalties if they miss their deadline but don't worry the good news is the IRS is very happy and willing to work with small business owners who have fallen behind and at the end of the day the IRS really just wants you to file and get back on track so think about it here's what needs to happen if you're behind and you want to get caught up first you'll need your bookkeeping done so you know your business earnings and expenses next

you'll need to prep the missing returns so that you'll be in compliance for filing what you're doing then is protecting your business expenses once you're in compliance for filing and remember that no matter how much you owe your business expenses and average living expenses are protected under the Bill of Rights or taxpayer Bill of Rights let's take a couple minutes to have a look at what Bob has to say and he's going to give you a little bit more detail on the process [Music] [Applause]

most of the stories that I hear start with something pretty bad that happened to them a life event that they weren't expecting accidents injury long-term illnesses death of the family Breadwinner um and it just destroys their income in their business and then it takes them a while to recover from whatever those life events are then they go back into oh going to earn a living going to remarry going to buy a house going to start the business back up and it takes four or five years many times before the IRS catches up with

that non-filing and then they go hi so does the state G Wiz you didn't file we see all your income records on file and we're going to bill you 100% income on your 1099 and here's your bill G if you don't like our version why don't you submit some tax returns with your business expenses in so then it starts this collection model which is another trauma cuz if you have gotten over some of those really hard life events and you're putting your life back together always in the back of their mind they're

thinking when's that other shoe going to drop I'm going to get a knock on the door or a phone call I know I have to do this I'm just not quite ready and then it happens and it's scary and shocking and they kind of panic can feel all kinds of emotion and so the first phone call is usually a lot of therapy you're okay you're our normal client we have thousands and thousands just like you and your story is horrible but on a scale of 1 to 10 tend being really bad or hard to fix G is you're

about a three what only a three yeah I know it feels pretty bad but we've done thousands of these cases and it has a regular path to prepare and Implement and put those steps together you'll have some part in those steps and so will we one get all the bookkeeping done so we know what your business did two prep all the missing returns so you're in compliance for filing and then when you get into compliance for filing the the game shifts in your favor in the following way you get the taxpayer Bill of Rights

oh what's that h once your returns are filed no matter how much you owe I get to protect all your business expenses they can't take those garnishments and levies from the business then I also get to protect a certain amount of the average living expenses things you call living indoors and eating regularly uh so I get food clothing rent utilities Transportation Health life disability car payments and things that take care of the kids they got to be put into Day daycare all of those two classes of expenses are now

protected and the only thing you have left to pay the back taxes with is what's [Music] left right so now it's time to move into our second poll of the day so similar as before I'll pause for about 20 seconds or so to let everybody vote the question is have you ever faced challenges in staying up to date with your bookkeeping and tax filings due to your busy schedule yes or no I'll give it a couple seconds for everyone have a chance to answer the poll great I think most folks have had a

chance to respond so I'm just going to share the results here with you okay so uh whopping 100% of you have said yes um that makes sense since you're joining us here today and we'll talk a little bit later on how specifically bench can help you um get back up to date amms your busy schedule okay so 100% of you uh just said that you face the the problem of staying up to dat with your business finances and when you find yourself in the situation there are three simple steps to take when starting down the

path to getting yourself back into compliance and these are these are essentially the three steps and as mentioned earlier it's really important that the first step is getting your bookkeeping caught up and why you need this is that once you get your bookkeeping caught up you'll truly know how much your business has actually made after expenses that's step one step two is you're going to prep we're going to work with you to prep your taxes and have everything arranged and ready to file with the IRS and then finally the

last step is you'll then be able to resolve your tax debt with them so let's take a little bit um some time here to see what Bob has to say in this [Music] video there are three components in the Tax Solution first component is the bookkeeping when you got that done second component you got to do the tax prep great when you've done the tax prep you'll realize M number three how much I owe that I haven't paid for all those years so you have to have the other other two solutions work with bench on

the bookkeeping cuz the bookkeeping alone doesn't solve the problem you need the tax prep and then you need the solution so often times in collaborating with the bench on boarding folks we'll say let's have a talk with them and go to the brightness of the future side for this right now all they see is money and fear and how much I'm going to owe what they don't have is that other side of the rainbow once we file those returns and get the bookkeeping done we'll be able to protect all those business expenses that

once bench does your bookkeeping and we do the other two parts the tax prep and then the solution we're actually kind of drawing digging a moat around your financial Castle throwing a lot of crocodiles in it pulling up the gate against garnishment and Levy and attacks on all sides of the fort and saying we're going to put the gate down and put out small amounts of payment plans to IRS and state that we've agreed are reasonable and that you allow don't come in attack and take big loads of money

from us that would cause us to perhaps go out of business because you took too much too fast so the collaboration part it's really good between your sales staff and our sales staff because they get to see the problem the middle and then oh if I do it I can actually afford the solution that I won't have to have restless nights where I can't sleep worrying about what I'm not [Music] doing I always love that uh that analogy that that Bob said around the moat and and the gate and throwing in all the

crocodiles together okay and uh just before we head into our next section next section um we want to do another quick poll to better understand your approach to hand handling Financial tasks and want to ask which of the following um resonates best with you um when it comes to handling these Financial tasks a I stay on top of them regularly B I do them occasionally but often fall behind C I often struggle to keep up or D I completely neglect them until it becomes urgent so just going to pull up the poll here give it some time for everyone to

answer answer the question give it about 10 more seconds or so great just G to share the results right here now okay so about uh 2third of you said that you do your um Financial tasks

occasionally but often fall behind and about a third of you you have uh said that you completely neglect them until it becomes urgent um definitely appreciate uh your transparency and and honesty with that with answering this poll and um what I what I'm going to say now is g to pass it on to um Alex Moore who's going to give you a little bit more detail on U bench and how we can actually help you um you know actually get caught up with your financial tasks make it a little bit easier um on yourselves with your busy

schedules and dive a bit deeper um specifically on our retroactive bookkeeping services great thank you so much Joyce I appreciate it um so I'll speak to a little bit more of why we have an entirely separate Department our bench retro Department specifically for this problem in particular um so you've decided to resolve your taxes properly we've went over this so Step One is bookkeeping to make sure you have all the financials required to go ahead and solve the problem so why would bench make sense for you um real question here

you can go ahead and answer in the poll but has anyone ever heard of an accounting firm that employs 70 plus people just to deal with historical years of bookkeeping Bob here has worked in the tax resolution industry for 25 years and he has never found one until bench retro and so what that means is that we are specialists in this area and why is that important there are tons of mom and popop shops independent CPA firms and accounting firms um and you can find them locally in addition to their um limited capacity because they have not a

ton of people who are there but bookkeeping is also typically the least profitable of uh services that accounting firms can offer and so they really make their money on Tax Prep tax Consulting financial planning Etc um so bookkeeping especially large scopes of tedious historical bookkeeping usually find the back burner before anything else that's on their plane and so here in the bench retro Department we eat sleep and live historical bookkeeping it is the one and only priority for our team and so you know that your books are getting the

attention that they deserve um and lastly we understand that if you're trying to solve your historical tax problem money a huge Factor here uh that's why our team does not bill by the hour our Representatives will work with you to fully understand your situation that way we can make sure the pricing and payments are fair for your exact situation instead of trying to fit you into some sort of predetermined box um so Joyce I'll get you to go ahead and flip over to the next slide there um so how does it work basically

what happens first is that you can have a consultation with one of our Representatives that consultation is to fully understand your unique tax case they'll work with you to create a road map of where you are now to tax compliance and it's important that you know exactly what's happening every step of the way and we'll make sure that we walk you through that second step and this is something that gets overlooked all of the time is that most people think oh you know I have a big box of receipts I can go drop

them off and they'll take care of my taxes um when you're resolve and your taxes your biggest weapon to reduce what you owe is your business expenses I'll go ahead and repeat that one for dramatic effect when you're resolving your taxes your biggest weapon to reduce what you owe are your business expenses so onboarding and document collection are crucial to trying to get you to your goal of paying the IRS the least amount possible um and so at bench what that means is you get a dedicated onboarding

specialist they audit all of your doc documents and ensure that we don't just have your receipts but we also have your bank statements your credit card statements your loan and Lease agreements your payroll reports your Merchant reports your asset depreciation documentation and much much more so this is how you minimize your liability and we make sure we dedicate an entire employee to making sure that this piece is done properly lastly it's our Fast tround Times so when you're behind on your taxes the clock is ticking even if you

filed an extension that only holds the IRS off for 6 months so monthly penalties fees and interest are applied to your balance automatically and that's to say nothing of leaving yourself at risk of receiving one of those dreaded letters from the IRS these fun things contain things like leans and levies on your assets and possibly wage garnishments to satisfy your tax obligation so once our onboarding is done and we have all your documentation our team is super fast your bookkeeper will leverage our in housebuilt

bookkeeping platform our data processing team and also our bookkeeping quality team to make sure that we can complete and double check all your financials before we deliver them in app to you as well as to Bob or the tax resolution specials who you're working with this process gives us the best way to get compliant as soon as possible and make sure that we're minimizing your liability um great so bench tips if you are choosing bench here's how to optimize your experience first is to leverage our team when you

do choose bench it's basically like hiring a remote employee for the business and so leverage them our inapp messaging gives you a direct line to speak with your bookkeeper whenever you have questions we promise to get back to you within usually one business day of reaching out and we're also fans of phone calls Zoom or however else you prefer to communicate secondly uh we do partner with plaid um it's a secure connection that gives us seamless secure and instant access to the data we need in order to create your financials and most

banking institutions will connect also if you leverage Shopify stripe Square PayPal or Gusto we will integrate directly into your bench account to allow us easy access to to get everything done for you um and so that's pretty much everything for me on bench retro and how it can help so I guess to recap if you've learned lot today um I saw the question in the chat I will answer that quickly uh venmo uh doesn't have a direct integration but venmo is pretty um uh it's easy to grab the reports from venmo and our

onboarding Specialists will make sure that we uh are able to get all that information uh PNC Bank is also a thumbs up on plaid but um to return to this so if you learned anything today if you feel like a decent amount of this resonated with you and you think you'd like to take the next step it is a good time to and so whether that's with bench whether that's with someone locally who can help you out an accounting firm a tax resolution firm a friend who knows a lot about this it's always going to benefit you to

tackle this sooner rather than later given that the longer you wait the more you owe the IRS so taking the first step and attending this webinar is a fantastic First Step however if you would like to book a free call with our team to create that road map to comply we'll go ahead and throw a link into the chat so that you can go ahead and uh schedule an appointment totally no obligation with our team to have a chat about how we can solve the issue um we'll also post this webinar out for anyone who couldn't attend live

today um that way if you have any friends or colleagues we know that this is a topic that is hard to admit you know a lot of people feel a little bit ashamed they're like oh you know I haven't found my taxes for two three four years however long it can be we've had clients of up to 25 years that haven't filed tax um it is something that that you have to build up some courage to go ahead and and start to tackle but it happens all the time and uh feel free to shoot this webinar over to anyone who you thinky

might find it useful um in any case there Joyce I think we do have a decent amount of time here put aside for a question and answer period um I don't think there's anything else in particular that we have to go over so um if anyone in the chat has any questions um feel free to shoot those questions into the chat and we can answer them directly now um but yes basically we we do work with a ton of um businesses who use venmo so it's not a it's not a big deal in terms of cost there um Jenny so you

can see the pricing on our website pricing is $299 per month in terms of ongoing bookkeeping and like I had mentioned historic L we make sure we customize that pricing for everyone um given that obviously there was the co pandemic sometimes there are months where you don't have any transactions going on sometimes you had full uh the business was running full steam uh we go ahead and we work with you to go ahead and customize a quote based on how your business has done over the past couple years so on an ongoing basis it's

roughly $ 299 per month there's a couple options historically we'll work with you to make sure that it makes sense for your business in particular uh we also have a question that um came in thank you Alex uh from alexandraa um the question is can you convert back to QuickBooks um if we um if we after after the trial if we prefer it to use another service so the answer to that is yes now basically when you sign up with bench um we provide you with a platform where it's an app you you can go in and see

all your financials but we also for each full year provide you with a year-end Financial package and so that comes in the form of a an Excel package sorry and uh what that means is that you can have that information in the Excel package to do any of your own financial analysis any of editing of the data that's required um but also what that means is that you can go ahead and upload that information to QuickBooks if you do decide to switch back um and so you'll have all that information now again total transparency it's not a

100% easy upload uh you do have to match up some columns and rows in order to have that information load up to QuickBooks properly um but you definitely can switch back to QuickBooks um Jenny so uh if you do go to the pricing uh piece of our website the uh that does not include the price the prices that I chatted about does not include the price of the taxes um the big reason for that is whenever we're dealing with big uh scopes of multiple years of historical taxes that's why we bring in people like Bob

here um it's important when you're filing those historical taxes to deal and make sure that you have the best solution for exactly what you owe any of the penalties fees and interests that have been occurred and so they take care of that and make sure that you get the best possible outcome moving forward we do have a tax filing Service as well and if you did want to keep everything in house um we do ongoing tax filing for our clients as well and feel free to drop in any more questions that um that you have

especially if you um if you have specific questions for for Bob um whether it's it's a specific situation or or a scenario that um you've seen or faced in the p in the past um definitely feel free to um to ask away for for Bob while he h will you have him here and if you don't mind Joyce and Alex I I I like to always tell people that are thinking about Tax Solutions just give them a rundown of what the top 10 Solutions are and this might also help generate more questions because people generally don't know what the

solutions are and in the no particular order the top 10 tax Solutions that we work with every day number one pay the IRS in full it's generally their favorite it's not generally the favorite of my clients and many of them cannot pay them in full it will not be an option for them the second option is did you know you can get up to a 10-year payment plan with the IRS on the back taxes figure out what you ow divide it by 120 12 months wow that becomes possibly affordable and they have underpayment plan something called a partial payment

installment agreement how's that work well to pay it off it be a th000 a month they can't afford it my financial show I can pay 380 a month okay well set set you up on the 380 a month even though it doesn't pay the tax off in full over the 10 years what's the third solution oh statute of limitations runs out in 10 years what after I file my return if they don't collect the money within 10 years at the IRS I don't owe it anymore that's correct so if they give me a partial payment that doesn't pay it off

in 10 years and they stick to that lower payment plan I'm saying yeah and all I have to do is wait in one year at a time as they age 10 years they fall off the books yeah that's part of the non-collectible or partial payment plan oh what was that other one non-collectible many of our clients that are rebuilding their financial lives when we do their taxes fill out their financials they actually meet no ability to pay the IRS and there's a program for that they get qualified in a temporary hardship that temporary hardship lasts

years if their financial condition doesn't improve with no payment due on the back tax as long as they pay the current tax each year number four people that can't pay for a while do a compromise what's that I settled $1.6 Million last month for a client for $400,000 that's the offering compromise program they don't owe that 1.

6 anymore same month I settled $27,000 for $7,000 I can guarantee you both people feel great about not having to pay the tax in full even though there are larger numbers between that span number five solution file a bankruptcy people don't know income taxes can qualify for bankruptcy when they meet certain conditions so these are just a few of the solutions there's also innocent spouse there's penalty abatement those are lesser used programs but they do they are available when someone does the bookkeeping with bench and then we do

the back tax prep we do an evaluation that hones in exactly which one of these Solutions your financial condition fits you'll know before you hire us what solution is going to work how long it'll take what it'll cost and when it will be over and then hopefully one day we have our favorite call ho ho ho you don't ow which sometimes happened years later so if you have any questions about those top 10 tax Solutions please put them forward to Joyce Alex myself be happy to have a private consultation with you

about what your solution would look like generally takes about 45 minutes on a zoom call thanks for sharing Bob that's really great um actually we have one question that I have is are you able to you know give uh folks here a little bit more insight about how how you work um with with the IRS um in those situations and a little bit of the work that that you do in in the background sure the IRS allows licensed tax professionals to have an IRS power of attorney for representation matters and once that's

signed and faxed over and posted to the calf unit of the IRS they stop calling the client they now call the licensed power of attorney and direct copies of all the correspondents to them takes the pressure down deescalate the communication cycle the IRS likes working with licensed professionals why we've been doing this 25 years we already know exactly what they want they don't have to scare threaten and take from the client in order to get them to comply when they have a licensed professional they tell us what they want

they give us a time frame for when we have to deliver it we get it to delivered in that time frame and we have an orderly solution without a lot of aggressive collection in ttention so that power of attorney is a marvelous tool by the way if you don't know how many years you should file for whether or not they build you the IRS has a special division called the tax practitioner division oh what's that clients can't call that licensed professionals can we can go in there with without fear of collection have a

peek behind the curtain and go hi what's going on for Susie oh she hasn't filed in six years you've build her for three of them oh and she owes you 42,000 for those three oh and she's in collections right now and doesn't know it oh you've sent her lots of letters she hasn't responded can we have a hold oh okay we can a hold from all collections to give us time to do the back tax prep that would be great because if you reach around and pull money out of her business banking account it's going to

disrupt her ability to operate her business her ability to hire bookkeepers and get tax prep done you'll actually kill the Golden Goose that we're trying to keep alive so that power of attorney representation has a preview where we can see what's going on without kicking the Sleeping Dog in the collection side and then a post preview hold hold hold don't do anything bad because we're getting into compliance and it's going to take time to get the bookkeeping done and the tax prep so those tools of the pre- and postp power

of attorney are really powerful provide a lot of Peace of Mind to people because they know nothing's going to happen to me now as long as I follow this path and complete on that path and I get my income and my expenses protected and they can only have what's left which may be a smaller payment oh I feel great thank you so power of attorney representation really really is powerful that's great thank you so much Bob and and I think that's a lot of knowledge that um not not many business owners know especially if they you know

if they see kind of the the letters coming in and immediately they think oh I don't have that that much money it's going to put me out of business but what what they don't know is that there's there's often room to um to negotiate and and have like a bigger picture of um you don't you might not actually owe as as much as you think yes that's accurate oh we have a question here from Jenny um and that's what can I do if I have the old carbon copy of uh checks that prove I paid taxes back in 2010 yet

in 2022 the IRS held the return I was due saying I owed from 2010 yeah that's a great question uh Jenny I get this question hundreds of times a year lots of times we pay a tax and we mail it in and the IRS doesn't post it to the year that we think we're paying for sometimes it sits in a suspense account waiting to find a home to post to a particular year sometimes when we don't Direct where we want it to be posted they post it to the oldest possible tax year we owe without our permission and pay that

older year and then it's no longer owed and doesn't show up on the radar the power of attorney does allow us to go in find out what year they posted that payment to determine whether it was ever posted or if it's still in suspense and then make sure that we get it posted if they haven't already taken it so that's a power of attorney call a review with the tax division that does the processing and posting of returns and it's a common problem Jenny that we see over and over and over again so you may

have a credit sitting there that they're not aware of where to post it also you may think you filed the 2010 return you may have sent it to them they may have received it and they may have never posted and processed the return we often have to send in copies of signed tax return certified mail two three four times to get them to agree to process and sometimes when they won't process that return there's yet another item that we're allowed to do we're allowed to open up something called an audit

reconsideration what's that you guys filed my 2010 you didn't give me all my expenses that I put in you never processed my version of the return would you please reopen that audit that you did not allowing expenses so I can submit the actual return that I did back in 2010 and in that audit reconsideration once we get assigned someone that says yes now they get to see the return they get to post the data in with all the expenses and they have to change the amount that they thought you owe and recorrect it and remove all

the penalty and all the interest on the incorrect numbers so Jenny be happy to to do that kind of thing better for an accountant to make this kind of call than you yeah for you to try to get to these places know where to go how to reach them when to apply for them and have access to the right questions it's a maze that I wouldn't wish on any individual that's why we do it we've done it thousands of times thanks so much Bob and thank you Jenny for um for asking these questions anyone else have any um any other

questions um vny is the US the only country this tax craziness happens well I I'll tell you I wished we were the only company country that had tax problems but uh I have clients that are in many other countries and most of the countries have tax treaties with the IRS so when we're doing foreign tax returns we'll often run into the problem of who was supposed to get the tax on the income you earn Jamaica or the US the United Kingdom or the US Germany or the US will review the treaties we'll go

look at it and sometimes a credit has to be moved from one country to another based on the circumstances but every country that charges taxes has tax problems and it's especially difficult for people that immigrate to the US English may be their second or third language and now they have this brand new tax system that is totally different from the country they move from and they're not quite sure how to make sure that they are in compliance and file the right forms at the right times I have a client bench referred to me he's from

Africa he has three companies a nonprofit and two private llc's he has not been able to figure out prior to meeting up with bench and us how to file his tax returns the proper way on time with the proper numbers in them and so he has thousands and thousands of dollars of late filing and nonfiling penalties that were upill against because his country's way of doing taxes and our country's way of doing taxes was not understood by him but fortunately we got him on the horse we're going across the stream and we're

getting these things caught up and filed so he can run his nonprofit in Africa raise funds for the causes in his his nation that he wants from the us and continue to run his business here so yeah it's crazy everywhere we're just one of the crazy countries great thank you so much Bob um let's take a look if there's any more questions but if um if that's it um I think it's just a few of you left here um I do want to take an opportunity to thank everybody here um for joining us today uh with this live webinar um so

reminder that you will be receiving an email uh shortly after um that will provide you a link to get the recording of uh this webinar so you can feel free to view it again or um share it with other folks that um you know who you'd find it' be a benefit to them to watch this webinar um as well um Alex has uh sent over the the link in the above chat um for you if you want to book a free consultation um no obligation uh with with us here at uh bench to help you get uh caught up and to even answer any other um questions that uh that you have

again sure all right Jenny I'll just uh Alex if you don't mind reposting perfect oh uh Alex I think you have to share that with everyone link me just there we go perfect um and yes um uh that being said uh yeah thank you once again everybody for uh for joining us here uh today thanks so much appreciate it thank you everybody thanks Alex Joyce for having me on the panel I enjoyed it and look forward to working with you on any clients that need help thank you thank you so much for your time and your expertise Bob really thank you I

one

1. How to pay less to the IRS and file taxes correctly [for US Small Businesses] - YouTube

**URL**

<https://www.youtube.com/watch?v=gdfnL9Z-xpw>

**Views and time:**

537 views / 11 months = 49VPM

**Keywords:**

No keywords

**Transcript:**

hello my name is aah viero I lead Partnerships here at bench accounting I've worked at bench for almost a decade and have supported business owners throughout that time to navigate their bookkeeping and tax filing needs I'm really passionate about this space because I get to help people entrepreneurs are the backbone of our society you all drive the economy and what I hear all the time from folks like you is that you didn't start your business because you're passionate about back office tasks that are required by

the US government like bookkeeping and filing your taxes um you also don't know what you don't know rarely do I speak to business owners that actually studied Accounting in or outside of school and this impacts how you prepare and use your financials I'm here today to hopefully shed some light on how you can truly Master tax season by filing your taxes correctly and more importantly paying less to the IRS I also want to take a moment to appreciate the fact that you are here today A lot of this content can

make people go cross-eyed but you are taking this critical step to show up for yourself and for your business so thank you okay so we are bench uh we are a bookkeeping and tax filing Service uh Focus specifically on supporting small business entrepreneurs that Trad traditionally get left behind by the accounting industry well call a spade to Spade bookkeeping is uh transparently a low margin product so Most accountants actually don't want to spend their time doing the books for small businesses instead they typically offer a year-end

cleanup uh leaving you without Financial Insights throughout the year or they ask you to do your books yourself uh in a DIY software like QuickBooks and then just kind of take care of that tax filing and any tax advice that you require at bench we believe that no business owner should spend their evenings and weekends alone pouring over bank statements payroll documents Merchant reports and countless receipts at their dining room table to compile their financials we pair a real human team of bookkeepers with simple intuitive

software to do this bookkeeping for you so today I'm going to walk you through essentially unfortunately how the tax system is riged uh and the IRS is just waiting for you to slip through a crack so they can generate Revenue uh we're going to talk about how to actually action um these steps so that you do not pay a penny more to the IRS than you need to how you navigate this rigged system um there's a lot that you need to know and I do want to call out it can be overwhelming but my goal today is for you to leave with a list of

things you're going to do to lower your your tax bill regardless of whether you're doing it yourself you're working with an accountant or you're working with a bookkeeper so we'll start with a look into how tax filing actually works uh as a part of that we'll touch on some dates and forms to be aware of the impact of your entity type what it means to fall for an extension and some tips for how to use bookkeeping to prepare for your tax filing then we'll get into deductions everyone's favorite topic um

what they are which ones that we actually find commonly missed in small businesses and how to make sure that you're capturing them all uh in that tax filing because that's what's going to lower your tax bill and then uh we'll end with uh next steps and how uh we can potentially help cool so small business owners we see you uh the first thing that I want to call out here is just taking a minute to acknowledge that taxes feel scary and confusing for a reason straight up the US tax filing system is

is complicated for a reason people pay more in taxes and penalties than they need to oftentimes just to make this problem go away the reality is the IRS is a revenue generating organization uh they made a wild four trillion in 2021 uh so there's actually an incentive for govern bodies to make this system hard to navigate for business owners because they generate revenue from the complexity so in short the system's raged the US tax code is also almost 7,000 pages long and would take over a week to read um that makes my head hurt

just thinking about that how on Earth is the average business owner supposed to stay on top of this and we are also rarely ever taught these useful skills in school uh for tax filings and for financial management and how to navigate to taxes that's something that every single American is going to need to do throughout their lifetime so the fact that it's not taught to every single person in the US it's just mindboggling uh no one learns this in school unless they're an accountant um but I assume you're not an accountant

and that's why you're here and I want to call out this is not business owner's fault again the system just isn't great for supporting people who want to do what they love you don't have time to master 7,000 pages of us tax code as much as I'm sure you want to uh and run your business and have a life and the reality is there are very real consequences uh for small business owners uh this is how business owners fall way behind or pay way more than they need to uh entrepr ERS fall through

these cracks because the IRS wants you to fall through I speak with business owners every day and they often don't realize they need to file the taxes no matter what regardless of whether they operated at a profit or a loss that year they also don't know that to file for an extension uh this only pushes your filing date back by six months and you still need to pay those estimated taxes and subit the relevant extension forms to get that extension approved it's quite the process uh and it's important

that you are aware of every single step to make sure that you don't fall into a position where you're getting charged find some penalties for not doing that correctly and again like if you don't do all these steps correctly the IRS is just sitting there waiting for you to slip so they can start charging you those fines and penalties and interest on those fines and penalties it's also a lot of work to do the bookkeeping and capture every single deduction that you are entitled to so business owners often leave some out I

see this all the time especially with some folks who do DIY bookkeeping um but again that just means that you are going to be paying more to the IRS than you need to so how do we make sure that we complete all these steps correctly so if you are doing it yourself you are going to need to make sure that you understand at a minimum what it what is expected of you what forms to fill what to pay and when then to make sure that you don't pay more than more in taxes than you need to uh make sure that you are capturing every

single transaction yes even that Amazon purchase for your home office that you made on your personal credit card that's a deduction you want to make sure that that is captured and if that sounds like a lot please knowe you're not alone most business owners try using a DIY software when they start the business uh even if they don't know the first thing about bookkeeping and this is the default because again accountants don't want to spend their time bookkeeping every single month especially for small

businesses so if you are using a an accountant or a bookkeeper do yourself a favor and discuss with them in detail what your tax plan is and how to make sure that you're getting every single deduction that you're entitled to so regardless of whether you are diying or using a bookkeeper or accountant bookkeeping is the foundation of your tax filing and without accurate complete books you will pay more to the IRS than you need to which we'll unpack a little bit further today so let's talk about what you need

to actually file your taxes correctly and we'll dive into everyone's favorite topic forms there's so many of them we could legit said here for the entire hour and I can list off all the possible forms you could need for Unique situations instead I'll say that it is just really important to first know your business's entity type because that will inform which forms you need to submit uh as well as the date you need to file by uh it's really really important to get this right because there can be

fines for not completing a form uh and paying the uh Associated fee so for example we took this char from the IRS website for every form that is not filled or filed correct incorrectly there could be fines that they charge um to find this list you can honestly just Google it um Google your entity type and tax forms there are lots of resources available a bench also has a great uh bench tax uh guide uh that spells this out if you want to check out our blog so some key dates to be aware of at W2s if you have employees you will need

to fill fill out those two copies of form W2 for each one one W2 must be submitted to the IRS the other must be sent to the employee if you are using a payroll provider uh they may be doing this for you uh $199 NEC so if you work with independent contractors you must file form 1099 NEC by January 31st copy a must be filed with the IRS by this date and copy B must be sent to the contractor by this date as well um if this date has passed by the time that you are watching this please just make sure that you do that as soon as

possible and work with an accountant to make sure that you understand if any other steps were missed or any other forms uh filings need to be complete uh it's also worth calling out March 15th uh which right now it's January 19th when I'm recording this March 15th is around the quarter this is going to sneak up so quickly uh this is the date for S corporations and Partnerships uh April 15th if your business pays taxes on a quarterly basis that first 2024 estimated payment is due on the state uh as well as Soul props

and uh C corporations also need to file their taxes by the state uh these are just a few of the dates to know again um consult that list of forms and their due dates to make sure that you are covered uh it's challenging to navigate all these forms and payments um if you are doing it yourself you need to make sure that you on top of it make a clear list and calendar for yourself now so you don't miss any of these uh deadlines you don't fall behind and get hit with one of those findes um and again if you're doing it

yourself just have someone double check for you um that's an invaluable service better yet have someone do this uh all for you uh as it's just a huge time and stress saver and if you're working for with an accountant or bookkeeper make sure you to have uh a chat now to make sure that they have a plan to get all the information they need from you by the appropriate deadlines in order to meet these deadlines so quick note on entity type um ask an accountant if you have the best entity structure for your business

uh if not what should you change it to and what are the extra rules that come along with with it um and I'll give you an example uh if you choose to incorporate to an S corporation s corporations have fantastic benefits um like lowering your personal tax uh for the business owners as they can pay themselves reasonable salaries key word there is reasonable uh and receive taxfree dividends um you can also save on self-employment taxes as the es Corp shareholders only pay a social social security and Medicare taxes on their

salaries not on their dividends but you need to pay yourself as an employee uh if you are a shareholder of that ES Corporation so if you're an escort you haven't set yourself up on payroll reach out to a payroll company today Gusto on pay um just works set yourself up ADP um set yourself up with a conversation today to make sure that you uh are paying yourselves correctly and you don't get hit uh with an a with the from the IRS and and unlock those fines and penalties uh the secret to filling out form so if you haven't been regularly

bookkeeping every month throughout the year and have to now do this catchup and do this work for all those prior months it might be time to reevaluate your process for this upcoming year doing it yourself is incredibly time consuming it's expensive because yes your time is uh worth worth a lot um this is time that could be much better spent on growing your business or spending time with your friends or family um but you need to make sure however it's getting done that it is getting done every single month uh the secret to filling

out these forms is having that accurate complete bookkeeping for the year all right let's talk about filing for an extension uh this is a first of all totally normal and okay thing to do every year approximately one in eight American taxpayers file for an extension so if you're in that bucket you're in good company uh tax extensions are a tool that the IRS makes available to taxpayers who need more time to file uh their tax returns accurately so an approved extension application grants you an extra six months to get your

taxes filed without acing those late filing penalties so if you're an escorp or partnership that that filing deadline would move from March 15th to September 15th if you are a soul prop or C Corp it would move from April 15th to October 16th it is worth noting that for soul props uh they do have a different process for filing an extension so uh make sure that you work with your accountant uh or do your due diligence and do that research to to make sure that you are following that process correctly and key reminder here is you

still have to pay even if you get that tax extension you still have to pay by either March 15th or April 15th uh filing for an extension extends that deadline for filing but again not for paying uh you will need to estimate how much you owe the IRS and pay that amount the IRS late penalty is 05% per month uh this can be avoided by paying that estimated amount when you file for an extension and if you're having having trouble calculating that amount which again you're not alone it's complicated it can be confusing um we recommend just

check out our blog or you can do a Google search um on how to calculate and pay estimated quarterly taxes uh blog. bench.co we have a great resource there and as always just I always like to recommend here just hire a tax professional to look everything over just to be safe great okay let's talk about lowering your tax bill uh lowering your tax bill it all comes down to capturing these deductions that a new lamp yeah I'm thinking of bringing home wear um into the store so that's a write-off that's a write off yeah do you

even know what a write- off is uh yeah it's when you buy something for your business and the government pays you back for it oh and who pays for it nobody you write it off who writes it off I don't know the Govern the write off people what why are we having this conversation okay so as we saw with David uh from shitz Creek highly recommend that show if you haven't seen it before there is a lot of misconception about what a tax deduction or a tax write off actually is so how it works is you actually take the amount of

the expense and subtract that from your taxable income but like anything with the IRS it's not always straightforward There are rules and nuances for different expenses to be aware of so for example business meal expenses you can generally deduct 50% of qualifying food and beverage costs but you can deduct 100% of the cost of providing meals to employees such as buying Pizza for a team dinner uh when your team's working late or having a party so some commonly missed deductions we see this all the time especially from

the folks that are doing DIY so I want to make sure if that's you take these notes and make sure that you are capturing these in your books because I don't want you missing out on a single deduction that you're entitled to so the first one up is Merchant fees uh this is one that business owners often Overlook but it has huge ramifications for the tax filing um so have you ever noticed uh that some Merchants like stripe or Square uh take their fee for processing your Revenue before placing it in your

bank account the reason why it's important to capture uh this fee is because you will be Under reporting your Revenue otherwise and that's a big red flag to the IRS you always want to make sure that that you're captur capturing your Revenue accurately so you'll actually need to adjust your Revenue to the gross revenue amount before the merchant took took their cut and then adjust and break out the fee uh as 100% tax DED deductible Merchant fee expense on your income statement so again you're

going to want to gross your Revenue up to reflect the full amount that was collected before that Merchant like stripe or Square took their fee uh and then make sure that you are capturing that Merchant fee as a tax deductible expense it's 100% tax deductible on the income statement uh another commonly missed deduction is interest interest is a tax deduction uh I cannot leave you let you leave here without um understanding the value of making sure that you're capturing this correctly for any payments you make to a loan or line of

credit um so these are actually 100% tax deductible and to capture these correctly so you pay less to the IRS uh you must manually split any payment made to a loan or line of credit into at least two separate uh components of that transaction uh the first is the payment made to pay down the principal balance owed uh this pays down the liability listed on your balance sheet the second portion of that payment uh this is so solely the interest and that must be captured under interest fee expense on your income statement so single transfer

let's say from your checking account to this loan provider you need to split that transaction into two separate parts the part that's break that's paying down that liability on your balance sheet and the part that is tax deductible that interest on your income statement another commonly missed deduction is uniform expense uh so a piece of clothing that is company branded can be considered uh a uniform and is a write-off uh but that new suit that you bought to impress a potential client when you're taking them out for

dinner uh would not be considered a write off because it can theoretically be worn in places outside of your business so you want to make sure that you are not um adding those incorrectly to your income statement unless you're tax filing uh because that could be a red flag for the IRS but for uniforms absolutely add those on and write that off another one I want to make sure you are all aware of is independent contractors uh every single payment that you make to an independent contractor is 100% tax dedu deductible but you only

need to file form uh$ 1099 NEC if you paid that contractor over $600 in that tax year so make sure that you're actually capturing and tracking how much should I pay this this contractor in this tax year that will tell you whether you need to file those 1099s or not the last one I want to call out here is business transactions that occur on personal accounts uh this is just critical to make sure that you are capturing um if you use your personal uh credit card that's attached to you know your online Walmart account or Amazon or anything

that you're purchasing online or at the store um make sure that you are then going into your personal credit card statement going through highlighting which transactions were actually for business purposes and then manually extract those transactions to capture them in your business financials this is so critical and if it sounds like a lot of work it is unfortunately it is um but it's worth it because those are deductions that you would be missing out on otherwise even if it's just $10 here $15 here

throughout the year it's wild how quickly that adds up so please do yourself a favor capture all of those transactions and make sure that you're manually including them in your business financials so that you can use those deductions to pay less to the IRS or better yet don't use personal cards for business transactions I always like to recommend um this doesn't work as well now there's so many virtual cards but if you're still like me someone who uses the plastic cards uh just use a little

sticky like color code which one is business which one's personal like blue for business and green for personal this way when you take your card out you can easily see which card this is and switch it up if needed cool so that's a lot of that's a lot of deductions um the key here and what I want you to take away from this is there are a lot of deductions that you are entitled to and uh there are some nuances to each one so make sure even if you're doing DIY books that you're working with an

accountant to go through audit clean that up make sure that you are capturing these correctly and don't feel guilty about claiming every single one that you can again the IRS is a revenue generating organization and they don't deserve a die more than legally necessary from you cool okay let's talk about how to capture deductions because we talked about commonly missed deductions but okay once you find them how do you actually capture them in your financials uh this is where bookkeeping comes in to claim these deductions uh

you'll need to keep accurate records and stay on top of your monthly bookkeeping like remember that restaurant expense you incurred last January most people don't and therefore they miss this tax write off so make sure that you're adding them all up uh and you are not missing out on those tax savings and also make sure that every single transaction from the year is recorded and receipt saved the IRS expects you to keep those receipts for at least three years and you make those manual adjustments again think about that loan

payment you want to be able to write off that interest but you need to split that transaction into what is paying down the principal amount to that loan or line of credit and what's interest so again make sure every single transaction from the year is recorded um make sure you're keeping those receipts and make sure you're doing those manual adjustments I'm not going to sugarcoat it this absolutely takes a lot of time and effort especially if you're doing your own books and have saved it all for

the end of the year but it's worth it to do it properly so you can save money it's also really important to know that even if you work with an accountant who will be filing for you you can't expect them to pull transactions out of thin air to deduct you still need to make sure that you are recording and categorizing every single transaction throughout the year um by giving them or working through every single statement and receipt through that year uh so that you can capture those transactions and

deductions Most accountants don't want to do bookkeeping or or hunt down your transactions so they might ask you to hunt these down and then they'll just like clean up and do some categorization adjustments at the end of the year which means you're still doing a lot of work like updating your DIY software so updating like your QuickBooks or your zero submitting invoices uh Etc and then they just review and clean that up at year end um so later I'm going to share some questions that you can ask your

accountant to make sure that they're maximizing your dedu uctions even if you are doing those books yourself okay um I also want to give you some tips on how to capture these deductions so I mentioned this uh on the previous slide but you want to keep every receipt for three years in the event of an audit you'll be able to um you'll need to be able to back up these deduction claims so we recommend uh a Google drive folder or Dropbox or shoe box uh to digitally store those receipts since physical ones can get lost if you

aren't using cash for any transactions and I'd say that's probably the norm these days then don't worry about it you don't actually need to keep that separate uh receipt as long as your bank is uh keeps your bank and credit card statements for three years which most banks do and then you should be fine but for any cash transaction you need to make sure you're keeping that receipt and then business and personal SE separate those transactions separate those accounts uh it is so much work to parse

business versus personal expenses um on these statements it's such a headache business transactions will get lost in personal accounts so just don't do it do me a favor don't do it you risk missing out on so many deductions uh and it's just such a pain to go through down these personal bank statements put them in a PDF go into the annotate tool highlight all the uh business transactions manually pull those transactions out and manually adding them into your uh bookkeeping software it's a nightmare um and I don't think

that uh or my experience is that for those that do uh do this even if they're willing to put in that work you're relying on your memory and that's if you're trying trying to go back like multiple months at a time you're going to not be able to remember if that Amazon purchase was for your home or for your business and if you don't have a uh business account set up we always like to recommend relay Financial your fantastic Bank to check out so okay that was a lot uh before we dive into how to get support for your

business as tax season I do want to acknowledge that we covered a lot first that the IRS is a revenue generating organization they have an incentive to make things comp more complicated than necessary and accountants spend years of training in order to confidently navigate their clients through this system and this training is reserved for accountants shockingly how to file your taxes and interpret IRS code is not something that we train in school despite every single US citizen needing to engage and interact with the IRS

throughout their lifetime and the sheer number of forms and deadlines and figuring out estimated taxes and what's actually needed for a tax extension and how to bookkeep that's so much to learn when your primary focus is running and growing your business so it's important to know that if you've put this off or if this information feels overwhelming You Are Not Alone the system is Rigg it's critical to know that you can get the support that you need to navigate it and not pay a penny more to the IRS than you need to so my

recommendation is always to make sure you get help because this is really really hard to do alone so whether you're doing your own books or you're working with an accountant or bookkeeper uh or are in need of some help uh I want to make sure that you're set up for success so here are some questions that I want you to ask your accountant um oftentimes when working with accountants it happens in a black box um you hand off some reports and documents to them and then they work some magic to create that tax

return um so you don't really have insights into the process the categorization Etc you just kind of trust that it's happening so make sure that you book a call and ask these questions to make sure that they are truly Max imizing your return uh there are also some questions to ask your bookkeeper so bookkeepers and accountants it's worth calling out these are different accountants go through years of training uh they have to be accredited they're tightly controlled uh and regulated a bookkeeper

not so much anyone can theoretically go through some some training or You' hope they they've done some training um uh and can call themselves a bookkeeper they aren't regulated the same way that an accountant is so if you are working with a bookkeeper and there are many amazing bookkeepers out there you still want to make sure that you're doing your due diligence uh to make sure that they are setting you up for Success um so just be cautious be curious uh and we recommend asking these questions uh and make sure that you get

some time on the books now um because it's tax season they're going to be busy and you want to make sure that things don't slip through the cracks or you're only finding out that some information or critical deductions were missing a couple days before that filing is due excellent and lastly some questions to ask yourself uh if you are doing DIY some people straight up love DIY bookkeeping and they're confident in their accounting knowledge and if that's you all the power to you um my only ask

here is to make sure you are staying on top of the US tax code um you take training on how to use your DIY software so go through for example all those QuickBooks tutorials uh QuickBooks is an incredibly powerful incredibly robust software um but it's not the most intuitive uh and you are also working with an accountant who has agreed to do a full high quality review of your books to make sure as best as they can that you aren't Miss out on deductions but again remember that it's up to you to actually go through sift through any

business personal transactions any relevant statements any cash transactions making sure you're keeping that receipt it's going to be up to you to actually make sure that every single one of those transactions are captured and then they can make sure that those are categorized correctly to optimize for deductions if that sounds overwhelming or if you don't love it or you aren't confident on how to do the books accurately my recommendation is to Outsource to a professional the stakes are just too high to risk getting these

books wrong and this is where bench can help if you're looking for personal Hands-On support to pay the least amount of taxes possible this is what we do we have a professional team doing the books for you they'll even file your taxes if you uh don't have an accountant that you love uh we hunt down every single deduction possible so you aren't paying a dime more to the IRS than you have to you have unlimited access to your team so if you have questions on how to use these statements to make financial

decisions or whether to incorporate and where to F this in corporation papers we got you and we do this for you every single month so you always have the financial information you need to make confident decisions so you can always learn more at bench.co and what makes this different is we have a team of bookkeepers and in-house accountants that are professionally trained that do this for you you have unlimited communication with that team and we leverage technology so this is all as automated as seamless as simple a

process as possible so you can spend your time actually using these financials to make confident business decisions getting Financial advice uh from your team uh on you know again whether you should incorporate or whether you can afford to take out uh another loan to reinvest in your business um we do this for thousands of customers every single day uh we are North America's largest bookkeeping service so come talk to us today if you are feeling overwhelmed if you need some guidance or you don't have an accountant

book a call with us at bench.co it doesn't matter if you end up using bench or not we'll point you in the right direction the end of the day we just want to help and if you are wanting help now is the best time we are offering 50% off six months of bookkeeping at bench just is almost $1,000 in savings so again check us out at bench.

co and give yourself the gift this tax season of saving more of your money thank you everyone this has been an absolute pleasure thank you for showing up for you and your business and happy tax savings thanks everyone

1. Good Habits for Bigger Savings Next Tax Season - YouTube

**URL**

<https://www.youtube.com/watch?v=ppeMV4LoADY>

**Views and time:**

20 views/7 months ago = 2.86VPM

**Keywords:**

No keywords

**Transcript:**

all right we've got some folks trickling in already hello hello hello hi everyone happy Wednesday happy Wednesday good morning or afternoon wherever it is that you're joining from yeah we probably I imagine we have three or four time zones here today I'm over in the east coast Leila where are you I'm on the west coast so we've really got a nice range of time zones yeah actually while we wait yeah if anybody wants to start chiming in the chat we will have some participation um so if anyone wants to

share where they're joining from you're more than welcome to yeah let us know in the chat on on the East Coast I'm calling from Toronto today Lea where are you I'm in Vancouver um in Canada awesome we have Argentina in the chat Colombia wow Atlanta Long Beach California that's fantastic Camino Dayton Ohio Jacksonville South Carolina Maryland Bethlehem L Harrisburg we got people from all over today all over yes love this uh I'll go ahead and just start sharing my screen here so that we

have a a background to kick us off let's do it awesome well I know that folks are still trickling in in the case of time I think it would be good if we go ahead and and kick things off um so I can go ahead and and start if Dan that works for you yeah let's do it all right sounds good well good morning afternoon or night depending on where you are coming in from I know we've got a pretty good uh range in the chat here so my name is Leela I lead the account management team here at bench accounting you'll learn a

little bit more about us in a moment here I've worked at bench for just over three years now and supported business owners throughout that time to really get a handle on bookkeeping and tax filing needs I personally I'm really passionate about this space and about what you all do as business owners because I get to help entrepreneurs like you who really are the backbone of our society you all drive the economy for real and you make a huge impact every day uh personally my mom actually uh raised me as a single mom and she had a private

therapy practice all her life um she always really instilled in me how cool it is to get to Be Your Own Boss and she always gave me kind of that insight into what the admin side of things was she always talked about her bookkeeper and her tax team um and really really let me know how much that bookkeeper saved her year after year and how crucial that role was for her when she was getting her start and to this day I think she worked with the same bookkeeper for like 20 years um but what I hear all the time from folks like you is that you know you

didn't start your business because you're passionate about fulfilling government requirements like bookkeeping or filing your taxes you also don't know what you don't know you know rarely do I speak to business owners that actually studied Accounting in or out of school and so this really impacts the effectiveness of the books and taxes you prepare but I'm here today with our partner relay to hopefully shed some light on how you can truly master your finances by organizing your processes

and more importantly paying less to the IRS but before we start let's also take a moment to appreciate the fact that you are here today A lot of this content I know can make people go crosseyed I recognize that most of the time you don't want to be actively thinking about bookkeeping but you're taking this critical step to show up for yourself and for your business so thank you and good job looking forward to diving into this all with you so who are we well we our bench we're a bookkeeping and tax

filing service focused specifically on supporting small business entrepreneurs that traditionally get left behind by the accounting industry so at bench we believe that no business owner should spend their evenings and weekends pouring over bank statements payroll documents Merchant reports and countless receipts at their dining table time with your families and time growing your business that's what you want to focus on and that's what we want you to be able to focus on too I mean after all paying for a bookkeeper is a tax

deductible expense but all the time that you're spending learning to be a bookkeeper is not so overall our goal here is to help people save money make more money Pay Less in taxes and we do that by pairing a real human team of bookkeepers with a simple intuitive software to do this bookkeeping for you and to make sure that your books are complete and your deductions are identified and I'll pass it over to Deanna to introduce relay thank you Leela I'm Dean I'm a product specialist here at relay and we're going to dive

into how relay is going to help you in your next tax season later on today but what is relay story so we were founded in 2018 by co-founders with a long track record of working in payments with small businesses and with small business advisers we serve all of the United States we don't have any physical branches we are 100% online and we are partnered with thread Bank through which all of our accounts are FD insured and we have over 10,000 customers on relay specifically here to practice profit first and this number is growing every

day amazing so here's what's on the agenda today and what you can look forward to so we'll start with a recap of tax season and the current economic state so that you can have an understanding of external factors to consider in your financial planning then we'll talk a bit about how expens how effective expense and receipt management can lower your tax bill so you don't give the IRS a dime more than necessary and then our friends at relay will talk about cash flow management good habits and we'll wrap it all up with some

tactical tips on how to create a calendar and routine to make sure that you're keeping on top of everything that we talked about so you don't miss out on deductions or have a pile of work next tax season and then of course we'll have a Q&A at the end so if you have questions as we go please use the Q&A function to submit because otherwise they will get lost in the chat but all right let's kick things off so now that it's a month behind us I want to ask how was tax season for you so throw things

in the chat I've got some kind of prompt questions here you know what was your biggest challenge what sucked the most uh write it in the chat I'd love to know you know if it took a lot of time if it was what you expected all right yeah very rough very rough I think if anybody's answering what sucked the most we could be here all day in the chat very true underestimated paid accountants prices rise are crazy filed for an extension yeah these are all super super relatable I'm sure everybody's nodding their heads

virtually at home now still dealing with it they filed an extension um and amended for 2022 person doing my books was a disaster rough not getting back the amount I thought I would filed for an extension and reviewing all the transactions now um oh we have one person so far planned well and filed on time amazing congratulations we can put that as the the star of whats like that's amazing oh we've got a couple of them amazing well congratulations that you had not a horrible tax season uh as you can see overall actually I think that this is

like a fairly good representation percentage wise of how people feel during tax season you know there's always going to be a couple people or you know maybe let's say like 10% where tax season done dusted easy super chill no problems at all but then there's going to be kind of that 90% where maybe you know it's it's just not not the greatest uh couple months of the year so with that in mind actually to give you kind of some stats here according to the results of the National Small Business

association's small business taxation survey uh nearly 60% of small businesses reported that the biggest challenge from federal taxes is Administrative burdens and you know that's not suris ring there are so many forms and documents and dates that you need to be on top of especially if you weren't able to stay on top of your books all year long and you had to continuously play catchup and it can be so timec consuming if you're doing any of it yourself according to that SBA survey the average time it took

to prepare taxes for a third of all small business owners was more than 80 hours so Chim in in the chat if you were doing this yourself how long did it take you and also was was there anything that surprised you about how long it took if you had to guess gut instinct how long do you think maybe the bookkeeping part of it or the tax part of it took you drum roll I know it takes a lot of a lot of thought to put all of those hours together I'm sure yeah sometimes you don't want to think about it right that's fair that's definitely fair but

either way I mean 80 hours that is so many weekends days away from the job site or from your family so no matter how long it took you and you can play those cards close to your chest that is okay sometimes it it's not something that you want to admit how long it really took you to to go through tax season but also I want to call out that I'm speaking about this as if tax season is over but I want to recognize that for many of you that may not be the case you know we have extension season coming up in September October or you may not have

filed for an extension and are behind or you might have a notice from the IRS that you're dealing with and so just know that we speak to owners like you every single day and you're not alone if you haven't paid your taxes or filed for an extension do so as soon as possible and pay your estimated amount if you need any help doing that we'll share later how to get in touch with bench uh for help on how to complete those taxes all right so aside from tax obligations there are some external factors to be aware of when you're

setting yourself up for Success financially so here's just a few econom iic trends that can have an impact on your business so you know we're looking at consumer inflation which is currently at 7.9% which is much higher than the target that's potentially raising expenses by about 3 to 5% we've got interest rates uh where the FED rates at 0.

25% and no cut yet it's a good time for borrowing and investing for your job market we have unemployment at 3.6% which is making a really tight job market meaning that wages are up about 3 to 4% to to kind of match that scenario and then for the stock market the S&P 500 is up 10% year-to date so it's showing strong consumer and investor confidence so what is that all mean that's a lot of numbers a lot of decimals a lot of percentages but for your business there's a couple of ways that you can kind of navigate these scenarios so number one would be manage

expenses so you can monitor and control costs to mitigate the impact of inflation basically meaning regularly assess if the expenses that you're having are actually necessary for your business another thing you can do is evaluate borrowing so you can assess if current interest rates present present opportunities for borrowing or refinancing and you know holding off might be best in which case managing your cash flow which we'll talk about in a moment here is really crucial we also want to focus on retention so in a

competitive job market like we have right now where unemployment's really low we want to prioritize employee retention through competitive wages and benefits and also stay informed so monitor economic Trends and adjust strategies accordingly I know it seems cliche to still be saying this but nothing has been the same since 2020 so staying up to date is important for you as a business owner our favorite resources for this are Gusto nomics by Gusto uh which is a Blog that our our partner Gusto has and then also our

bench blog we regularly share updates about kind of the state of the the economy and I know that this type of data can make people go cross side especially business owners who are doing what you do from a place of passion and not economic expertise but getting a handle on these Dynamics can really help you with financial planning and it also underscores just how crucial it is to maintain that cash flow keep thorough records and stay on top of managing expenses and this is why we need to set some good habits now to make sure that

you're doing the work as you go this year and it doesn't all appear as one big scary task in March because if you aren't doing work during the year I guarantee it's going to be harder on you come tax season you know you're going to overpay in taxes or spend more time than you should on evenings and weekends that being said we know this is easier said than done you know a lot of us want to do better but we bias to inaction because of fear or stress or maybe you just can't regularly commit to taking

the time to go through your finances every month or quarter so if you know this is you you're in good company you just need to get a system in place that works for you and if that means having someone else do it for you then great it's really not worth a stress of having to figure it out if that's something that causes you that anxiety and stress so keep this in mind as we talk today so you can make sure that you can be honest with yourself about what you can or can't add to your plate so we'll start

here by kicking off uh with expenses and deductions we always get a ton of questions about what you can or can't expense so here's something to help motivate you to keep on top of these expenses and receipts the return on good expense and receipt management habits is a lower tax bill so meaning that the time and the effort you put into regularly reviewing your expenses is a lower tax bill because you're going to catch deductions that will directly lower that amount in case you aren't familiar with how deductions work or you

need a refresher here's how it works so you take the amount of the expense and you subtract that from your taxable income and this is the number one thing that is in your control to lower your tax bill but like anything with the IRS it's not always straightforward there are rules and nuances for different expenses to be aware of so before we get into best practices for how to track these I'd like to spend some time talking about what you can or can't claim for the categories that we get the most questions about which are home

office vehicles and travel and entertainment so we're going to play a little bit of the game we're bringing back the chat uh and I'm going to ask if something can or can't be counted and you let me know in the chat what you think this is much less fun if no one one participates so please get your typing fingers ready this will be a true and false round so we'll start with home office true or false mortgage utilities and property taxes can be expensed let's see we've got yes lot all

true so far yes yes yes yes amazing well you're all so so smart H because yes the answer is yes um next question here so we're rewinding it to a new one um home office space only counts if it's never used for another purpose so for example personal use on weekends we got oh we have a mix of false and true oh we got true question mark not feeling confident about that one okay we're right down the middle I think Leela sounds good okay well according to my notes Here the answer is yes but within reason so it's kind of a

yes and and the question mark from the chat so the to give you more context here if you're sitting in your home office on the weekend to work in a craft project once in a time once in a while that's fine but if you're claiming like your kitchen as your home office where you're regularly doing things that are for personal use that's a bit less reasonable in the eyes of the IRS and you can always consult your tax professional for these type of gray areas so just keep that in mind if you could reasonably say you know what yeah

this home office I pretty much just use it for office uh work unless you know it's that one-off craft project here and there then you're fine but if it does have a bit more of that gray area we would recommend Consulting with a tax professional all right moving on to meals and entertainment true or false you can expense providing meals for employees so for example buying your team pizza when they stay late one night you've got yes is so far excellent and that that is true so oh we got one false it is true so that is an expense

that is 100% deductible and hey that's why we're having these conversations because there's a lot of questions about these kind of things and to kind of flip this into another uh something to open up another can of worms here what about business meals so for example taking a client out to lunch one false the rest are true okay perfect I want to go back really quickly I did notice a question here in the chat um I'm glad that caught it here so Bradley said I was told there's a standard deduction for the

home office and a deduction that uses mortgage utilities the latter is a flag for an audit is that true I want to be this is a great time to bring up I myself am the team lead of the account management team so I'm not a a tax adviser we have wonderful tax advisers here at bench or you might have a tax adviser in your own life this would be a really good question to go into the Nuance cuz I I don't know your personal situation you know there might be something in your situation that might flag it for an audit that being said

generally there are a couple of different ways that you can deduct for home office I actually have one on my FAQs in case this comes up again in Q&A but generally the main guideline from the IRS is that if it's you know mostly uh office use or person or business use then you'll be able to claim it as a deduction um the Nuance there I would take to a tax professional um that being said I'll go back to the true or false question so yes you can take business um or you can take clients out for lunch and claim

that as a business meal however that is only 50% deductible and I see that actually in the chat so great job on catching that and that's really why we wanted to bring this difference up is that knowing that there's different amounts you can claim here for different types of food expenses you know does that mean that you can all of your spending on food and drink can be put under the employee meal category no of course not so the best practice here is to work with the professional that knows these nuances if you don't know them and

how to stay compliant within that perceived gray area and you know I even saw in the chat a little while ago someone that said you know I think it used to be this or I think it might be this now and this is also something that's really important to keep in mind is that IRS things change all the time and as a business owner you should be able to focus on running your business you shouldn't have to stay on top of IRS laws and rules and regulations that come out so frequently and so with that in mind you know that's where if you aren't

staying on top of all of these little nuances it can be really helpful to get those Professionals in on your corner all right so our last category here is vehicle expenses uh true or false if your car is only business purposes you can deduct its entire cost of ownership and operation yes yes true yes amazing that is true it's if it's only partially for business then you can and you use the car personally you can deduct the cost of its business use um so it's basically whatever percentage of it you're using

for business you can only deduct that business cost so it's another case of of saving receipts uh and then for a lease question here true or false uh if you lease your car you have to use the same expense method and to kind of give you an overview I'm talking actual method versus standard method here you have to use those same expense methods every year whatever you start with you have to finish with one true one true true probably you're correct it is probably um it is true so if you choose the

standard method in the first year of the lease you must use standard for the remainder of the lease even if you realize say in year two that the actual expense method will get you more money back so it's really important that you do the work up front front to help you make that choice right at the beginning if you're confused and wondering what I'm talking about with standard and actual I'll give you a really quick overview um so standard what that means is the standard mileage rate lets you

claim the business vehicle tax deduction for every qualified business mile you drive and there's basically an overall rate every year so this year was 65 a. half cents per mile driven for work versus the actual expense method and that lets you claim a business car deduction for a percentage of the total amount you spend on your car so basically you have to keep track of the amounts that you pay for your car throughout the year so gas oil repairs tires insurance registration fees licenses and depreciation so those are

kind of the two different options there standard being a percentage of your mileage and the actual being the a percentage of the overall expenses for the car and if you want any more information on this we do have a Blog article that breaks this down all right so of course we couldn't go through every category here I could spend a whole hour talking about that so after the webinar you'll get an email with some resources and one of those is going to be oh sorry I'm not sure what you mean to say that again if you are

looking for more information on standard versus actual uh take a look at our bench blog so you can go to bench.co um and you'll find a whole list of a lot of our blog articles if you put in anything about car or vehicle you should be able to find the information on our website um so after the webinar you'll get an email with some resources and one of those will be a list of deductions that you can take advantage of and how much you can expense the other best practice that's going to set you up for Success here is to do a

monthly review of your expenses so that you can see if you captured any of the deductions that can lower your tax bill and so we're going to talk a little bit more later about that overall calendar and and when it makes sense to do different pieces of your kind of look back and I'm not going to sugarcoat it this absolutely takes time and effort and even more so if you save it all for tax season like we mentioned before and so here's an important tip don't forget to include transactions made on a

personal credit card or personal bank account these are really easy to forget especially generic things like restaurants or Amazon and so best practice is always to have a separate business bank account and credit card our friends at relay Dean here is our favorite recommendation if you don't have separate accounts and you need to set one up and we can share a special link and offer later so that you can do that to set yourself up for Success this year and not miss any deductions also a quick note for some of

you who might be thinking to yourself you know I only have a handful of expenses it doesn't matter yet it does what matters is building good habits now so that you only have a few expenses and then that way when you do the work now it's going to pay dividends down the road when you're able to lower your tax bill by thousands of dollars so receipts moving on here we got a lot of questions about receipt storage and why you have to keep them so we're going to start here a question that we get a lot is are credit card or

bank statements an adequate replacement for a receipt and the the kind of nuance here is that having the actual receipt shows what it was that you purchased and that's going to prove that it qualifies as a deduction so in something like an audit a statement would only show how much you spent a receipt is going to show the itemized uh breakdown of what it is that you bought so thinking about the difference between that client and staff meal that we talked about earlier without the receipt to prove what you

bought you know how can you be sure and how could the IRS be sure so if you lost a receipt it's an okay second option to use a statement but the gold stand is receipts also people will often ask how long do you need to keep receipts for and 3 years is the rule of thumb as far as audits go that being said if you have a digital receipt you might as well hold on to it infinitely since there's no like physical space that you need to take up with all of this paper people also ask in that kind of vein you know

are email receipts okay and yes as long as you store them together with other receipts so don't just rely on your inbox you know I also want to quickly acknowledge the elephant and the room which is you know we've mentioned the IRS um don't have to save for seven years from what I have here and what I know the gold standard is going to be three years in case of an audit that being said that's why we have that note of if it's digital keeping it forever is always going to be good it's always best

to have more context if you can but three years does seem to be kind of the the overall standard that being said with an IRS audit you know the go-to answer when people ask why you should keep receipts is to keep everything in in case you get audited but what are the chances of you getting audited well it actually is only 2% which seems relatively small but to give you kind of an overall breakdown here considering there are 33 million small businesses in the US that means 660,000 of them will get audited that's that 2% and when they

do happen they're really costly timec consuming and stressful and really we can think about keeping receipts or using bookkeeping Etc as insurance you know you pay for it hoping you're never going to need it but if you ever do it saves you in the news a couple weeks ago actually we saw that the IRS just spent $80 billion to invest in audit processes and this is going to be aimed at you know large medium businesses but they are going to complete more audits faster to make up for lost Revenue because remember the IRS is a revenue generating

entity and an audit is just something you can't afford to risk the best way to avoid getting an audit is maintaining over organized records separating your personal and business expenses and double-checking your math so on like income employee reporting when you file and if you are doing your books or filing and you're not feeling comfortable in your math or accounting skills getting that help is worth the money for the stress saver alone some tips to make receipt storage effective so number one here pick a

digital system and stick with it physical receipts as we mentioned they take up space they can get lost and damaged so we recommend digitizing them you can use dropbox or Google folders also shoe boxed relay actually since we're here they have an excellent receipt management system if you bank with them also we want to make sure that we're setting habits to regularly upload receipts so you're not drowning when you finally get time to upload them and how often you do this does depend on how many expenses you have once a month

might be enough if you've only got a handful of expenses but if you have receipts each week it might be best to set aside 20 minutes on a Friday morning to cross this off your list all right and I will pass it over to Deanna to walk you through our next session on cash flow management awesome thank you Leela now cash flow is definitely one of our favorite topics here at relay and understanding cash flow is really at the core of everything that we do but in order to talk about cash flow we first need to get really

clear about what cash flow actually is so once you truly understand cash flow you can start to cultivate those good habits that will not only improve your situation at tax time but completely transform your business from the ground up so what is cash flow the big question at the simplest level cash flow is the realtime movement of money in and out of your business it's how much cash you actually have on hand to cover all of your expenses and avoid any surprises at tax time so simple concept right well as

simple as that is cash flow crises are incredibly common among small businesses and most businesses experience some type of major cash flow challenge in their lifetime more than half of businesses of business owners don't exactly know how much money is coming into their business each month and chances are many can't tell you right away how much is leaving their business either now this statistic is really Stark but 60% of small businesses will experience some kind of cash crisis in their company's Lifetime

and worst of all most small businesses don't have much savings to really help them weather these crises a fifth would be forced to close after losing revenue for a few months and half would have to depend on the owner's personal funds to stay afloat and what this really comes down to is a lack of visibility into how much money is moving in and out of your business not having the right tools processes and habits in place to effectively manage your cash flow now to illustrate how poor habits around cash flow can really have an

impact on you during tax time I want to walk you through this very common cycle that business owners find themselves in and I'm sure this will ring true for most of you on the call today now you come out of a tough tax season and you're determined this is the year I'm going to do things differently it's like New Year's resolution 2.

0 but very quickly you fall into a cycle of something called bank balance accounting and what this means is you're literally just looking at your bank balance in order to figure out how much money you have so you need to make a purchase you log into your account you see how much money is there and you go ahead and buy what you need the problem with this is it doesn't give you an accurate picture of your financials and by relying only on your bank balance you end up in a very very poor cash flow visibility all you're seeing is a lump sum so you end

up doing some quick mental math to figure out your numbers and you end up actually totally confused about where your money is actually going and because you have such poor cash low visibility and you end up misallocating your resources like overspending on some expenses or not saving enough for taxes and this misallocation of resources lands you right back at the start of the cycle and once again you are stressed with a stress you are faced with a stressful tax season so there's a lot of best practices that people will tell you

about to help improve your cash flow throughout the year and you've probably heard all of these before so this could be regularly monitoring and tracking your income expenses throughout the year so you have accurate data when tax season comes around maintaining a healthy reserve of cash so you're not scrambling to cover your estimated tax payments or automating as many recurring payments and invoice processes as you can now these are all incredibly important things to do and yes you should be doing them regularly but when

it comes down to it even though we know the things we should be doing we often have a very time very hard time actually doing them so we know we should be setting aside money for taxes throughout the year but other expenses get in the way we know we should be regularly monitoring our expenses but we get bogged down in the hard work of actually running our business now the truth is most of the system that we try to put in place end up failing now we start out with the best intentions of course but the challenges of actually running a

business get in the way we don't follow through and we end up right back where we started and the reason we fail is because we don't have a simple system that works with our natural tendencies as business owners and if you truly want to change your habits you have to start out simple so I'm going to share two key things you need to do to get clear on cash flow management so the first one you want to start strategically strategic Ally allocating every dollar that comes into your business and then

you want to automate how that process takes place and I promise you once you start following the really simple process here all the other things are able to start falling in place so what do we mean when we say allocate funds we'll take you through some examples and show you exactly how to do this momentarily but at a high level you should be compartmentalizing your business funds based on how you're planning to use them that means some money will be in an operating expenses compartment and some money will be in a

taxes compartment and so on you'll be creating actual separate accounts some people like to use the idea of money envelopes to understand this to really separate your funds and finally once you have your account set up you will be managing your funds with percentage based or cash-based transfers now a very simple way to set this up with and this would apply for any business watching today um as a starting point you're going to have an income account and this is where you're going to collect all of

the funds that enter your business next you'll want a tax account where you'll keep a percentage of all of your income this is going to be a huge help when tax season comes around after that you'll keep an operating expenses account where you're going to manage all of the daily expenses of your business and finally you might want an owner compensations account because you need to be paying yourself at the end of the day if your business is a little bit larger and you have employees you may want to separate have another separate

account for payroll now with this type of setup as soon as money enters your income account you're going to allocate a portion of those funds to taxes with the remainder being split between operating expenses and owner compensation all righty now right away a few things should be happening with this type of setup first when you compartmentalize your money into separate purpose specific accounts looking at your bank balance suddenly gives you information that is actually useful next it becomes easier to stay

inside your budget because you know that only certain funds should be going to at certain expenses it also becomes easier to eyeball tax deductions especially if you create an account where you know you'll be making a lot of deductible purchases you should also have more confidence that you will not run out of cash again since you know exactly what you have allocated for which purpose and finally the reason we're all here today you end up with a faster and much easier year end because you already know which

accounts you should be looking at for which expenses so really all the things we talked about in this presentation so far tracking expenses making sure you're maximizing your deductions setting aside enough cash to take your pay your tax bill all of it becomes so much easier when you have this type of system in place and if you're wondering how to set up actually set up this type of system you can do it all yourself with relay and a little later in the presentation I'm going to share how you can get

started awesome thank you so much di for sharing all of those great tips on cash flow management so we've now talked about the role of deductions in lowering your tax bill and the role of ident of reviewing expenses and receipts to identify those so we can talk tactics now to save and prep for taxes also I put this in the chat but I did notice some questions there through deana's Section so please put those in the Q&A function so we can answer those and they don't get lost so first let's quickly

first talk about quarterly tax payments since many small business owners have to pay them and it's a bit of a misconception that taxes and tax payments only happen in tax season A good rule of thumb is that if you're owing more than $1,000 in taxes uh during your return you're likely going to need to make estimated quarterly tax payments and you know what happens if you miss a payment or you accidentally make a miscalculation unfortunately you can be hit with a penalty and according to the IRS you can expect to pay 5% of

the unpaid taxes every month if you fail to file but if you calculate correctly and you make your quarterly payments on time you may be able to file your yearend business taxes without a tax payment due and we actually have a calculator on the bench website in that same bench blog section that can help you make sure you don't over or underpay so to make sure that you have enough money to make these payments saving or setting aside 30% of your business income is a really solid rule of thumb remember what danana shared earlier that

making that separate account for tax payment savings is a great way to make sure you're covered so how do we prepare for a smooth 2024 tax filing well you commit to the regular good habits that we talked about today I do want to stress that these things take time especially at the beginning so don't plan to do all of this on one day every month that's too much to bite off and you're going to be left with a big pile in March so smaller bite-sized chunks is the best way to make sure that you complete these taas tasks regularly and

if you know yourself and that you're going to have a hard time making this a priority that is totally okay and that means it might be time to consider Outsourcing or having somebody take care of this for you it is a time to be honest and not idealistic I've spoken to thousands of business owners who come to me in March and then I don't hear from them for a year and then they have a huge mess to clean up that's going to cost thousands more than it should so get those systems in place now speaking of systems your homework

today is to make yourself a calendar so in the post webinar email we're going to be sending out a guide to help you with this basically we have glit I'm glad you love homework we've got kind of a guideline of weekly monthly or quarterly so weekly you're going to want to do rece seat capture if you have multiple transactions a week maybe do bi-weekly um we've got monthly which is going to be expense review deductions adjustments and financial statements make sure that those are up to date on that monthly

cycle and then quarterly do a cash flow statement review you know what changes could you make what challenges are you having what economic impacts are you feeling also are there any new economic impacts that you might need to be able to anticipate also if you need to make quarterly payments you can add that into your quarterly cycle and all of this will be in that uh post webinar email and if you need help we are here for you so if you're looking for personal Hands-On support to pay the least amount of taxes possible that is exactly what

we do we have a professional team doing the books for you and they'll even file your taxes if you don't yet have an accountant that you love you know we hunt down every single deduction possible so you aren't paying a dime more to the IRS then you have to you have unlimited access to your team and those are real humans employed by Ben so if you have questions on how to use your statements or make financial decisions or what deductions are available we got you and we do this for you every single month so you always have the financial

information you need to make confident business decisions having a professional double check your books is invaluable but better yet is having someone responsible for doing it for you and that is the level of support that you deserve as a business owner and you know what makes us different than other similar Solutions couple things here so we Leverage technology so it's automated and as seamless as possible we give you realtime data that that gives you a glimpse of your financial position even before month-end statements are

completed so that way you can get guidance from your finances instead of doing those books yourself you can also connect your accounts so for any relay customers here your banking data and purchases all flow into bench for our team to categorize same thing with payroll or you know if you're an eCommerce seller and you use Square stripe or you have Shopify those all directly link as well and we also offer a service called bench retro that's just dedicated to getting you caught up if you're behind we regularly help out

folks who are five to 10 years behind in their bookkeeping and taxes or who have IRS letters as well so if you have months or years of taxes to catch up on we have a team specialized in catching you up and getting this liability off your plate fast all right so a bit about relay here yes we just wanted to kind of reiterate how relay goes above and beyond the basics of banking that you might be used to so you can open up to 20 checking accounts with no fees or minimum balances so a few slides back when we were talking about setting up the four

accounts or maybe you're just interested in setting up that extra tax account you can do that easily on relay simple and for free but you can also run those automated transfers between your accounts to hit those savings goals tax goals funnel money into your operating expenses uh you can expense track with our debit cards and our receipt capture and you get some really great background data on all of your transactions so it helps out the team like bench when you're doing your month end and thenay I did want to plug relays

demo webinar we talked about how to implement something like relay but you didn't get to see the platform today so if that's something you're interested in we're going to put it a link in the chat here it is a demo we do every two weeks on what the platform looks like how to start using it and all the tips and tricks that come along with that amazing so if you feel like you can't keep up with your statements and deductions and you want to Outsource the tasks please come to us it doesn't

matter if you end up using bench we can help point you in the right direction uh and this is going to be an amazing first step in minimizing your stress especially if you haven't paid your taxes or filed for an extension or you need help meeting that deadline if we're not the right fit we will have a recommendation for you otherwise so come talk to us if you're wanting uh help now is the best time to start fresh so all attendees from today's webinar are going to get 30% off their first three months

with bench so a nice little incentive to help get you started on that right track to claim this I will drop a link in the chat here where you can both learn more and directly book a call with a member of the bench team I'm just going to pop this in right here for you perfect great we can go ahead and hop into our questions let me pull up our this is always my favorite part of a webinar is the Q&A all right let me see this here all right I see one here about bench right away so I can go ahead and give this one an

answer so from Camille uh you were asking does bench offer a dashboard so you can see this info at a glance yes so when you log into your bench account you're first going to see kind of an overview of your finances if you do hop on a call with someone from our team they're going to give you a demo of what an account looks like and also with some kind of fake data so you can see what an account is actually going to look like when you're using it but on that main page you're going to be able to see an

overview of your transactions and kind of a comparison through them as well you can also change the the date so that if you want to just see an overview but you want to see you know at a three- Monon timeline or a one-year timeline you can easily see that there as well plus there's a a messages function too uh on that main page so you can easily um check in with your bookkeeper and see what's going on there all right let me see here oh I hear this is an interesting question so I see from an anonymous

attendee how practical is it to split the accounting work and the tax work so if you already have an accounting provider isn't there a duplicate effort in having taxes done by a separate advisor this is an interesting question and I'll talk about this as more a bit more broad so bench does both uh bookkeeping and tax ta es based on your question I think you're asking you know if you already have somebody that does the bookkeeping is there a duplicate effort in getting taxes done elsewhere yes and no it

really comes down to what you're looking for at the end of the day the general con or drawback that I hear from folks is that you know a lot of the work is going to become you leasing between multiple services so you know if you've got a bookkeeper that you love but say there's a tax adviser that's in your area um that you really want work with what is going to be on your plate is that liaising work back and forth of you know bringing your books to that advisor or taking your tax advice and going back

to your bookkeeper so there's going to be a lot of you being that middle person the benefit of having it all together in one place is that you know that that workload is not on you you've got a lot to focus on running a business anyway and so doing that middle work is not always the the best way to spend your time but if there's someone who's a really Keen specialist and Tax Advisor and you already have a bookkeeper you love then sometimes it can be worth it but you do just have to know that you're

taking that onus on yourself to be that middle person between Solutions that's kind of the the main drawback of of doing something like that uh that's a also a good question about bench um someone Anonymous asked do bench suggest a methodology methodology like cash basis versus AC cruel they each use a different approach which causes issues uh from the two accountants that you've worked with in the past uh bench uses Cash basis for all of our clients and there's a reason for that generally AC cruel is only

needed in specific Industries or if you're making over 25 million in a three-year period of gross revenue so if you're consistently making like 8 mil or more per year I would say acrel would be the right method for you to use because that's going to be needed by the IRS or if you're in specific Industries like fing for example where you're having to do a lot of appreciation a lot of sale of assets bringing on new assets then that is going to be um something that will require acrel otherwise Cash basis

is really a simple way to do those books and it's also kind of the IRS standard you know seeing when the revenue hits the account seeing when the expenses leave it makes it really simple for you to understand where that money is going how much you actually have like I say acrel is good for certain industries and certain situations based on your Revenue but generally and for all of the like 13,000 clients that we have at bench we do use cash method for everyone so if you have had multiple accountants suggest different things in the past it

could be what that accountant was used to um but generally I find that some accountants default to using a cruel but it is a much more complicated and for a lot of people needlessly complicated situation to use right let me see what else else we've got in here oh uh will we be emailed a recording of this meeting I'd love to have it as a reference we definitely have the post webinar email going out do we include a a recording in that email di I know from the relay end we usually do and I can see in the chat yes there

will be a recording fantastic perfect okay we've got another question here do those who do taxes through personal taxes so Soul prop or single member LLC you have to make quarterly payments too that's a good question and I will default back to I am not a Tax Advisor because a lot of different situations might be at play I have heard that you know for certain industries or for certain situations or if you're trying to set yourself up for a particular future for your business then quarterly payments might be good to get

started right away generally that rule of thumb is if you're paying more than $1,000 in your taxes um that that is going to be the right way for you to do it is by using quarterly tax estimates in general quarterly taxes are essentially just a breakdown of that payment so that you know you're not sending out easy math is like you're not you're not doing $40,000 in payments at the end of the year you get to break that down into a quarterly $10,000 so with that in mind it would just depend on how much you're generally paying in

taxes and what your Tax Advisor is suggesting to you so if you have an adviser or you have somebody that really knows the and outs of the IRS and quarterly taxes I'd recommend asking them that question regarding business owners comp what difference does it make if the comp is in a W2 or 1099 or vice versa this also it depends on your corporate structure so for example one that I know well because I I talk about this with business owners all the time is if you are an S corporation the IRS uh way to do it is to put yourself on payroll as a

W2 employee you have to be showing and breaking that out it's the standard way to do it and it's uh the way that you have to be doing that as an es Corp so the Nuance of your question here is it does depend on your corporate structure um for example soulle proprietorships the standard way to do it is actually you're able to just transfer money from the business account to your personal account that's going to be an owner draw and that is a more than okay way to pay yourself as a sole proprietor as an

escorp you need to put yourself on payroll as a and generally for Partnerships and uh C Corps as well you want to put yourself on payroll but it does depend on your your corporate structure so there is a bit of nuance there there is uh I know there's a a Blog on our bench website that is like how to pay yourself depending on your corporate structure so I'd recommend go to bench.

co I believe it's blog and if you look up um at the top I believe we have a bunch of headers on different categories of blog articles and one of them is how to pay yourself so I'd recommend taking a look there and seeing based on your corporate structure and situation a general guideline of how to pay yourself how much do you recommend to put aside for taxes each month the guideline there is about 30% of your overall Revenue that's going to be a good rule of thumb that way when it comes to your tax bill it might be a bit less it might be a bit more but at least

you have a really solid amount saved so about 30% what else do we have here what is the difference between your offerings and a solution such as wave it's been a while since I've looked into wave but I believe wave is something that is more along the lines of a kind of looking at the expenses that are coming in and out of your account and it's more of a expense and um Revenue tracker so it's going to be showing you what you're getting showing you what is going out but what bench is doing differently is that we have that human

element as well and we are back actively bookkeeping for you so it's something that we are going to be able to look at what's coming in look at what's going out and then taking that and creating deductions and adjustments for you so an easy thing is something like you know Merchant adjustments if you're working with something like square or Shopify those little payments that you make to Shopify or that anything is kind of taken out at the top we are actually going to be able to separate those and

make sure that those are being tax deductible in your overall uh return so with that in mind we're we're essentially making sure that we're lowering your overall liability using those deductions against your overall um income and lowering that overall income so that you're taxed on a lower amount that's basically the the difference between us and something like wave there are those cheaper Solutions out there um that are going to be just that simple automation or that are going to be you

know just using something like AI to just be categorizing things in the background but there's no human element there at the end of day and so that is a major major piece of bench is that we are going to have that human touch throughout you can book a call with your bookkeeper if you're on with taxes we have CPAs EAS tax attorneys that are there as our advisors and you can hop on those calls at an unlimited basis to be able to strategize for your next year so not only are you getting those deductions but you're able to strategize

if there's even more deductions that could be useful for you that aren't even on your plate yet question for Relay will relay be set up for zel in the future we hope so but it's not something on the road back today awesome thank you uh oh question about bench for are you available to Canadians unfortunately at this time we are only able to do bookkeeping for businesses that are Lo that are registered in the US so if you're a Canadian but you have a business registered in the US that's fine but if your business in is

registered in Canada we won't be able to do that work for you there is a service called ankle n Keel that is similar to what we do but is located in Canada um also to keep in mind a lot of what we've mentioned today is very IRS specific the CRA is a completely different Beast entirely so I would double check with any bookkeeper you have about anything that we've talked about today and how that would be applicable for Canada um relay though are you available to Canadians no we are the exact same setup

Leela uh you have to be a us registered business in order to use relay awesome thanks Diana all right this is Paula as a small startup freelance copyrighting business carrying a loss from prior year you don't think you can pay yourself anything yet is there a downside to that decision that's a good question this I like that you provided me some context here this would be a question for more of a Tax Advisor my feeling on your question again me not being a tax advisor I want to make that very very clear but um if you are carrying a loss

and you don't feel like you can pay yourself anything yet especially as a soulle proprietor my guess would be that that's an okay decision in general what's going to flag to the IRS more is if you are you know heavily paying yourself where you are carrying that loss so my gauge is that what you're choosing to do is probably a good decision but that being said I would definitely double check that with someone who who knows the ins and outs of the IRS and knows those laws a bit closer to what it is going to be best

for your situation all right what is the ideal size of a small business to benefit from your service what would you advise for a small consultancy with one person for example I'll be honest uh we have the complete gamut in terms of our clients we have some clients that are like a oneperson Consulting business we've got a lot of folks who are you know a oneperson photography business or a oneperson e-commerce business but then we have that all the way to folks who are making 2 three four million a year

in Revenue we work with the smallest Soul prop to the biggest C Corp really the folks who enjoy working with us the most are folks who have you know banks that link up with what we do you know who have maybe a couple things to link up well we work really well with e-commerce businesses or those smaller businesses like consultancies or um photographers anything like that where you are generally you know if you want to have that sort of tech Focus if you want to just be able to have one place you log in you can see everything all in

one place you have the option to hop on a call if you want but you also have the opportunity to just be connecting over message via email your messages feed booking that call when you want to or not it's really that choice that thing about going to someone locally is that you know the drawback there is that you often have to get in person or it can be hard to get in touch with folks as well if you know they're one person with a ton of clients whereas bench there's usually always going to be someone that

you can get in touch with so it really depends on what you value in a bookkeeping service but that being said you know we are actually now the the largest bookkeeping and tax company in North America in terms of our company uh our customer base um and a service that provides a um bookkeeping to our clients directly so with that in mind we are really able to run that gamut and there's a lot of people that appreciate the service for a total variance of reasons and so if you're even slightly interested in seeing what we do I would

recommend taking a look at that link that we popped in the chat and we'll send it through in that email after the webinar as well so that you can get a better idea of what it is that we do see that dashboard and and take a look at what we offer all right is there anything in the chat oh I just started all the separate bank accounts and started with 4% to the tax account with a goal of 15% should you bump that up this month and aim to get 30% quickly I think you're referring to putting 30% of your income away into

a tax account which is what we recommended um with a goal of 15% if you have that goal of 15% then the downside of that just could be that at the end of the year maybe you get a higher tax bill than you were originally expecting and so you're suddenly going to have to pull a bunch of money together in you know a couple of weeks or a month that's why we do recommend that 30% is just to make sure that you're you know as close to a higher end of what you might have to put away and then that way you can always just have

extra money if you don't actually have to pay that amount in taxes but if you have 15% in that account you know based on your situation it could make sense to keep it that way that being said if you just want to be on the safe side of things that is why we recommend 30 all right we've got one more question we can wrap it up maybe after this question and this one is for Relay so does relay give separate debit cards for the additional accounts so with a business account on relay you can have up to 50 debit cards if you really

wanted we do virtual and physical but when you are creating each account if you want to do the five account roll out that we talked about today um no a debit card does not come automatically with each account you can create them whenever you need them awesome cool well that is basically the end of our time here so to wrap things up thank you so much for showing up you know we mentioned at the beginning of this webinar but talking about bookkeeping talking about taxes especially in May when so much of this feels like oh it should be done and off

our minds we know that as business owners bookkeeping ATT tax is never off of your minds much as we wish it was um and same with finances and cash flow management it's something that we have to be thinking about every single day so as a good Baseline setting yourself up with those bank accounts is going to be the best way to do it we'll send you those resources on relay and then for for those bookkeeping and tax services a really good idea is to just book a call with bench see how it goes as we say if

we're not a good fit for you we will have other recommendations of where you can go next so with all of that in mind hope you all have a wonderful rest of your day and that you found some value in what we were able to deliver today bye everyone bye everybody thank you so much

1. "We're better designers than bookkeepers." — GFDA & Bench - YouTube

**URL**

<https://www.youtube.com/watch?v=DVyj5vtgGB4>

**Views and time:**

53K views/7 years ago = 631VPM

**Keywords:**

accounting, bookkeeping, designers,

**Transcript:**

[Music] we did understand very early on that making sure we were organized financially was going to be a key part of keeping G FDA afloat and we've tried a number of different routes a number of different people but only until recently have we found bench as a product that really speaks to our needs and helps us to organize our finances and project it back to us in a way that we really understand and can use that as a strategic piece of our business it's also really great because previously jason was a snarling beast whenever

finances came up and now it's like working with a creampuff yeah what kind of like a cream Club I will say that bench of the product gives us the tools we need to strategize and figure out what we're doing financially and as a lot of smaller to midsize businesses know they are at a time when they really need to focus on building their product and not so much fooling around with things they're not totally certain about maybe that's financed here that's production things that are all kind of their wheelhouse right right and

I will I think I can speak for Brian here we make better designers than we do bankers or bookkeepers and what bench allows us to do is sleep easy at night knowing that that part is taken care of by someone who equally values the organization and finance the same way we do just by the way bench is not paying for this video Justin Booker LLC yeah time to go to week six Gopa int

1. Maximizing Returns: Expert Tax Advice for Small Business Owners - YouTube

**URL**

<https://www.youtube.com/watch?v=UcsPDKfBz_U>

**Views and time:**

403 views/1 year = 34VPM

**Keywords:**

No keywords

**Transcript:**

see we have a few people starting to join us so welcome we're going to get started here um right close to or right at the top of the hour so give some people a minute to trickle in and we'll be right with you thanks okay we are just past two o'clock so

let's get rolling I hope everyone's having a great Wednesday so far just at the end of November hard to believe um so yeah today we're here to talk about maximizing your tax returns and we're here to share some advice for small business owners so uh first off um just a little bit about us here at bench so we're bench um and just wanted to of course welcome everybody again my name is Colleen and I'm joined today by bench tax adviser Kimia Franklin um we are America's full service bookkeeping and

tax filing solution for small businesses we pair you with in-house uh bookkeepers and experts to get you books your books up to date and compliant with IRS standards uh through the VCH platform we Prov provide interactive and easy to read monthly Financial reports and we can also file file your income taxes for you I get to join as part of my role cool informative sessions like this one on a monthly basis so I'm really looking forward to hearing from all the small business owners on the call about what's

on your mind what sort of concerns or ideas that you have moving into 2024 and that really helps us on this side of things plan other events and webinars like this so we're really here to you know listen and respond to what your needs are um as you know the economic landscape changes as I mentioned we do host a free webinar every month and it's all about serving business owners like you so yeah please keep your questions rolling in um you can put them in the chat um as they come up or we will have uh about 1015 minutes at the end of the

presentation uh for a live Q&A session okay so uh to kick things off uh I'm going to launch a poll here in just one second and we'd just love to know from you uh which of the following essential tax saving techniques do you find the most challenging to implement in your small business we we're still waiting for a few more people or letting a few more people join us so if you could take a moment and do this poll it should be coming up for you on your screen now thank you give everyone 30 seconds or just about

10 seconds more to get your response in if you have the the time to do it okay we're fairly split on of course the topic that we're here all here to discuss today is maximizing deductions and a few of you are looking uh into more insight uh on tracking and documenting your expenses great thanks for your participation okay so um on our screen now is our agenda so um before we get into the presentation though I would like to acknowledge that bench headquarters is founded on the traditional and ancestral and unseated

territory of the Coast Salish peoples that includes the territories of the musum squames and Cil WTH Nations thank you so as you review the agenda just a few more housekeeping notes before we're officially rolling today uh we will be sharing the recording with everyone later today so please keep an eye out uh in your inbox for that link um of course you're able to rewatch this at any time and it is a sharable link so if a friend or partner was unable to uh to join us here today we do encourage you to share that uh far and

wide um as I mentioned please keep an eye on the chat um make sure to keep any sort of you know personal information uh personal um but otherwise would love to hear where you're all tuning in from um and what sort of business or industry that you represent today okay so now I'm going to pass this on to uh bench senior tax adviser Kima Franklin uh to take us through the presentation Kya over to you all right thank you so much Colleen and hi everyone uh my name is kamama Franklin uh I'm a senior Tax Advisor for

bench and I'm also an enrad agent and uh sens enroll agent is a designation that isn't discussed often let me explain further first of all what the designation represents and so an enroll agent is a tax practitioner authorized by the United States federal government to represent taxpayers in affairs with the Internal Revenue Service and so uh also the United States Department of Treasury empowers the enroll agent to represent taxpayers for any tax related duties including tax preparation um but it also includes audits appeals or

Collections and so just for your knowledge this occupation is and has been regulated by Congress since 1884 and it was originally established to investigate questionable and fraudulent claims that were submitted in the wake of the Civil War and so Congress decided to regulate persons who given the task of representing citizens in affairs with the United States Treasury so uh that's what an enroll agent is and it is similar to a CPA and uh as it relates to tax uh and enroll agent can and uh do things just like a CPA would uh and

where uh a CPA is uh licensed to operate within the state in which it uh got its licensed with enroll agents are licensed uh or are able to represent uh taxpayers in all 50 states so that's a quick uh snapshot of enrolled agents but let's go ahead and move on to our um presentation and so um we're all here to talk about taxes and we need to to get filing ready and so we here at bench have simplified the process into three basic steps which are recording transactions the collection of documents and completing

your tax return and so this sometimes sounds uh easy but sometimes it's not so easy uh each of those steps have multiple components from reviewing bank and credit card statements and remembering what each transaction was to figuring out what to put where and so when you think about it in that aspect all of a sudden it's not so simple you know and so let's actually simplify it with some tips okay and so we're going to go over a couple of tips uh today uh how to simplify these things so uh tip number

one is to get organized okay so you want to go through your receipts you know your everyday receipts that you may have uh Cashwise that you go go back and forth every day and you're Gathering your receipts and you're making purchases uh you want to also go through your bank statement and determine where your expenses fall and so I want to include some examples so for example if you go to restaurants often and conduct business the restaurant expenses would go under the category for instance for meals all

right and so um if you pay contractors whether they're individuals or businesses or vendors for services for your business in some cases you would categorize something like that under independent contractor expense and so that's what you want to do you want to go through all of your expenses that you have on a daily basis where you business and try to figure out where they fall under okay uh and once your income and expenses are categorized you want to balance your books by reconciling all of your accounts and completing a profit

and loss balance sheet and even a statement of cash flows um if this gets too overwhelming you may want to talk to a professional for assistance such as Vin and then last lastly you want to make sure to only include the transactions for the current year those transactions that have occurred between January and December 31st of the current year all right our second tip uh is surrounding document collection all right so when collecting documents and retention of them you want to make sure you are keeping them in a safe place

where you can access them in the event of an audit you want to make sure to keep them all um at minimum based on the record type uh the diagram to the right if you're looking at our presentation here it describes the length of time required to keep documents based on the type of record it is so for example if you take a look at the diagram um any past tax returns you want to keep those as well as any receipts or miscellaneous records for three years while employment records it's suggested to keep those for

four years in other cases it is necessary to keep longer based on the situation for instance if you look at our diagram here um if it is ever determined that you omitted income on return the IRS will expect you to retain those records for that particular return for six years so um as a rule of thumb in away you may want to go ahead and keep your records for six years um especially if you're in a occupation or a business where uh there maybe some 1099s or some things that you did not know you had in your name that may come

up uh and they may you know in the event in the future be omitted if you're in that situation you want to keep those for six years okay um and with the progression of Technology it is now possible to digitize your records and so it's highly recommended to retain your records in this way because it allows you to have a more organized way to keep your receipts and you can access them easily and in addition you can document your receipts as you go by scanning the physical receipt and sometimes the particular app May actually categorize

the receipt for you so that helps you um stay organized and you also want to consider where you want to store your digital files long term um and we'll talk about this soon but there are options such as Dropbox and Google Drive that we will talk about uh in the next slide or soon moving on to tip number three more about long-term storage you want to keep a backup of your records because again if you are ever audited will need to present them as evidence of the expenses and some documents the IRS um are expecting to have when you are in an

audit would be the receipts you know that we spoke about earlier any bank statements that you uh have used to uh claiming expense credit card statements as well and payroll records um and again you may want to consider backing up your documents in a system such as Google Drive Dropbox there are a lot of solutions online now since we are techn just Savvy now that uh makes this easier for you and that you can get at the d p so that is why we always suggest that you uh choose a digital option for keeping your deductions uh

recorded okay we're GNA pass this now to Colleen to continue with the presentation thank you so much all right so thanks Kya um as you know we have a Q&A period at the end as I mentioned but we so please do do on any questions that are coming up as Kya goes through the content um and before we we uh meet bench customer Taylor tyman uh let's take a quick pause for another poll please so what aspect of financial management in your small business do you feel needs the most uh Improvement or attention uh and that poll should be

launching sorry everybody I'm looking for my poll all right here it is all right 30 seconds answer that please folus quick on the draw we got budgeting and forecasting at the top and tax planning and compliance is now leading and managing cash flow as well all right thanks for your participation everybody we'll be sharing those results out uh at the end uh via email today when you get the presentation as well okay so uh now I am pleased to introduce you to uh a bench customer uh we always feel that it's great to hear

uh right from the individuals that use our platform and work with tax advisors like Kya um so uh here is Taylor um Taylor if you're ready to unmute uh welcome you to uh to our Zoom call today um and just a quick bio I'll share uh on your behalf but Taylor please chime in at any time um so Taylor advises small businesses entrepreneurs and influencers on how to best pro uh protect their brand Services products and content uh she's a lawyer I don't think I said those words quite yet but you can maybe

deduce that from what's on screen uh Taylor is also the founder of the legal MGA Community which is a unique Legal Services membership that gives members uh access to a dedicated attorney who specializes in supporting latinx and by talk business owners looking to build impactful businesses uh and Taylor welcome here hi good well good morning for me welcome welcome all right Taylor so thanks for being here today um just in your own words if you could tell us what first brought you to bench and what convinced you to subscribe um when

there's you know a competitive market and maybe other options out there yeah um I mean I have zero tax accounting background whatsoever and when I started Ed my Law Firm I very quickly found that I was not going to be able to do any of that by myself um and so I think I actually had a friend Mentor who was working with bench and she had really good things to say so then I found you all and have been using bench ever since excellent and so as we're heading into tax season I'm sure you've experienced

tax Seasons as a lawyer and business owner without bench and then uh post bench tell me a bit about what that experience has been like and uh you know what tax season looks like for you now that you've got a partner in your corner yeah it is uh so much easier I tell the story to my business owner friends and clients that I spent my first TCH season like crying in my living room sitting on the floor trying to get all my expenses together and just not knowing anything about any of that um so I've after

frustrating my husband to no end for like 3 hours I was just like I need to hire somebody to do this so Ben now handles my Law Firm um accounting and they also handle my other businesses accounting and it's just so so easy to be able to like get a quick report to give uh my my CPA and just have them handle everything for me absolutely and uh tell me a little bit if I could put you on the spot Taylor just about um I guess you know you mentioned the financial reports what sort of Intel or what what do you use that those

financial reports for in terms of you know managing and maybe even growing your business are there certain um financial statements that you look at um to help inform you with those decisions yeah so I pop in monthly to just you know check in bench does a really good job of reaching out and asking you know for some feedback and just to make sure everything looks good um so I pop in monthly just to see kind of like cash flow what's going on making sure expenses are what I think they are and they're not out of control um and

then also this year we're heading into a new physical office space so being able to pull past reports of what previous years have looked like and can I afford to actually get a physical office space so um my husband is the math person in this household so he helps me look at uh you know potentially projecting forward but he very easily is just able to grab the reports in bench and and help me make really great decisions um so yeah the reports have been really really helpful excellent all right Taylor well

I really appreciate you uh you know hanging out with us for a few minutes today was there anything else that you wanted to add or share um I don't think so thank you I appreciate it absolutely all right well we maybe talk to you later and if you decide to uh to to turn off that's say okay too and we'll see you soon thank you all right bye all right Kya uh we're gonna head into the next part of our agenda which is write offs to trim your tax bill so uh I will pass it back to you please thanks alrighty thank you so much um thank you

so much Colleen we're going to move forward in the presentation um I'm going to be talking about understanding your tax deduction okay and what we're going to be talking about um what is a tax deduction in it its entirety um the importance of tax deductions and the difference between tax deductions and tax credits okay so first what is a tax deduction a tax deduction is an expense you have that reduces the amount of your income before tax is calculated okay so you have you may have your uh self employment uh you

know your business income you may have a W2 income or you may have a spouse that has W2 income you may have real estate that you uh have you know a property that you claim rent or shortterm short-term rentals uh Investments all of those things add up uh to a total income number okay and then after adjustments you arrive at your adjusted gross income and so then we move to tax deductions and what happens is a deduction subtracts the number uh from where your adjusted grossing come is um you have that um they are important because they

lower your taxable income which also can eventually reduce your tax bill at the end of the tax process um this could save you hundreds maybe even thousands of dollars in some cases off your tax bill now while tax deduction reduces your income before determining tax a tax credit reduces the actual tax you owe dollar for dooll and can even sometimes increase your tax refund and so um as I was speaking earlier and I talked about income and I talked about adjustments and I talked about deductions um we arrive at your taxable

income after all of that is determined and um once your your taxable income is determined that tells us where you fall as far as far as what percentage rate your taxes in okay and so then there's a number that's issued amount of the tax and just to make it simple okay your income maybe $10,000 and at 10% uh your tax is a$1 th000 out that $1,000 if you have a tax credit that's non-refundable um if you have enough in a tax credit it will reduce that whole thousand number uh if it's not refundable and let's just say um you

have a credit that's more than your tax if it's a non-refundable credit then what happens is um that other money that's left it gets it just goes away generally so if your tax is $1,000 and you have $2,000 worth of tax you can only utilize the $1,000 of the $2,000 credit that you have if it's a non-refundable Credit Now if it's a refundable credit what happens is that money becomes refundable so um if you want an example of a refundable credit um for the most part for lowincome taxpayers that would be considered the

earned income tax credit and most times that credit is uh uh related to if you have children or dependents um that are considered um your children so um if you have a $3,000 earned income tax credit that is a refundable credit and your tax is a th the 2,000 is what would be your refund even if you didn't have any withholdings so that's how that kind of goes okay um now you want to make sure that you're you know listening to everything we said today compiling your deductions make sure we have the documentation um you know and if you're

a business owner you know you want to make sure you have all of your documents um that categorizing uh tells you what your expenses are such as advertising business bills insurance premium so that's what we're going to go ahead and talk more about uh in this next St um so some examples of tax deductions for fall small businesses and if you looking at the slide we're going to be talking about top tax deduction such as advertising meals and insurance vehicles contract labor appreciation education home office interest and legal fees um

but first of all what I'd like to say in this uh category is any potential deduction or expense you have within your business that you take should be considered ordinary and NE necessary and you might be saying to yourself well what does that mean and so an ordinary expense is one that is common and accepted in your industry while a necessary expense is one that is helpful appropriate and helps develop and maintain your business so some expense categories that I've already discussed uh the advertising promotion meals

things like that I like to highlight educational expenses um because educational expenses are some things that are sometimes you know not understanding so um self-employed business owners can deduct costs for their own education subject to certain limitations in the same way uh as individual taxpayers would when you talk about certain credits that are related to educational tax but to be deductible in the business must be able to show that the education maintains or improves skills required in your present work or it is required by

law or regulations for maintaining a licensed practice status or job uh so if to make that simpler you can deduct cost for continuing education uh me as a enroll agent or a CPA we have to take continuing education to be able to uh continue to practice in in our areas and so something like that if I'm a sole proprietorship or a business I can deduct that um but I do want to make it clear um when you're taking deductions it's important to speak to a tax professional or professional so that they can look at the law and tell you

know what criteria is necessary for certain deductions um for instance another one is meals so uh last year and the year before you know based on the tax cuts and jobs act uh certain meals were 100% deductible well this year is gone back to 50% um because we're no longer under that law um and so those are the type of things that you need to uh make sure you are uh taking advantage of and making sure that you speak to someone about um another one would be vehicle expenses okay you want to keep a mileage log for

that and you have to by law if you're ever audited that's what they would be looking for another thing about um vehicle expenses commuting miles are not deductible so you would have to separate that information uh when you're documenting your uh mileage and presenting that either to your prepar or if you're using a do-it-yourself software um it's going to ask you those type of questions so that get the proper credit um and again we want to make sure that you're keeping detailed records to

substantiate any claims to potentially avoid issues with IRS okay and we have set this presentation specifically up to guide small business owners to effectively navigate tax deductions and potentially save substantial amounts of the tax okay now some moves you want to make now moving on um the moves that you want to make now um because the tax season is 33 days away um you want to consider first possibly delaying your income until January to reduce this year taxes so um remember if you're a cash basis business po the postponing of invoices

or receivables can be key so you're asking yourself well how does this really help me you know I'm going to have to pay taxes anyway eventually so what you're doing in this case would be deferring the receipt of the income and as a cash-based taxpayer uh pay tax when you receive the income versus a crol you pay tax when it's constructively received so um if you are a cash based taxpayer this tax strategy can help you in the current year that you're needing to pay taxes because it's deferring the

receive income thus deferring the tax to the next year so that would need some tax planing to see well is my income actually going to be less in this year than you would expect it to be in the next year um because you might want to choose not to do that if your income is possibly going to be uh less this year than it is in the next year and hopefully I didn't you know that's kind of tongue time but I'm hopefully hopefully I'm making sense here um next um want to talk about tackling bad debts

so if you are you know in a position in your tax situation is where you can take back debt if you're uncollectible depending on the tax basis they may qualify you for deductions and also you want to think about making those office repairs now um this would be considered accelerating expenses and this is another tax strategy that people take uh by taking the expenses that you may have in the next year and deducted in in this year by making the payment and again this is for cash taxpayers making the payment in this year so that you can

utilize and save taxes in this year okay also um if you started a new tax business you you might be eligible for significant startup cost deductions uh startup cost deductions are deductible now uh in many cases they have to be capitalized over a number of years but if the startup cost I believe the first five thousand of the startup costs are deductible in the first year uh and lastly re-evaluate your business entity type because it could make a big tax difference and we always like to suggest if you need help check out bench's

bookkeeping tax service for expert guidance all right so now we've moved on to our last poll um in this poll we want you to let us know how you're currently managing your business finances and tax related challenges and so it should have uh pulled up by now you know there's four questions uh four answers I'm sorry in-house accounting team of bookkeeper Outsource Accounting Service like bench personal financial software tools or you need assistance so we going to give you a little time to uh get that

done thank you for listening everyone couple more minutes to speak to seek your answers by doing the poll and how many uh minutes do we actually have U Colleen we are just getting so uh yeah I would say we've had the poll open for a minute I think we're good to move on thank you all right we're going to end the poll then and it looks like it actually looked like there's a tie uh between in-house accounting team or bookkeeper and personal financial software tools so thank you so much for um answering the and you will get the

answers uh when we submit the uh presentation all right so moving on let's go ahead and talk about taxes and prep and how bench can help as a general rule it is suggested that you set aside up to 30% of your net profit for taxes uh this amount set aside will vary depending on your state and the kind of business you own so you know this is just a rule of thumb that uh the tax industry has said just to give you a number but it could be more or less depending on your personal tax situation and so it takes into

consideration the 15.3% of self-employment tax as well as uh a reasonable tax rate uh between let's just say 10 and 12 perc because that's where the majority of people fall under um but the 30% should be based on your net profit for the period versus your entire Revenue earned and net profit is how much revenue you earn minus any ordinary and necessary expenses that we talked about earlier that occur throughout the year uh you should expect to make estimated tax payments if you are profitable and so if your business

is not yet profitable you won't necessarily owe any tax for your business however depending on your tax situation you may have an estimated tax responsibility based on your personal tax situation so um when you're a so proprietorship especially because um single member LL and so proprietorship businesses taxes are reported with your personal taxes um you may not you know you may either have a loss or you may have a small profit or you may break even and so you may not have a tax for your business but

you may still have taxes for your personal tax situation and so in certain cases um you have to make estimated tax payments even if you have a W2 um and has the proper withholdings certain people have to make estimated tax payments and so um as it relates to your um business Z to make it easier we suggest setting up a separate bank account that holds only the money safe for tax purposes so therefore you're not touching it you're not comingling you're not using it for your business expenses and it's there for when you need it

because believe me um for instance if you're doing really good in your business better than you ever thought and now you have this big profit and now you got this big tax bill you'll be so happy when April 15th comes and you have that money saved to pay your taxes and you don't have to figure out where it's going to come from so that's why we tell you that okay and how to do that is you want to contact your bank and open a new business savings account then move 15 to 30% of of every profit each week or

month into that account and then just don't touch it like I said earlier uh some banks will help you create a rule that automatically moves that percentage into your savings account and if yours does not you can make manually transfer those funds once a week or once a month depending on when your business finances and so bench also has some links okay that if you wanted to take a look at this more or dive in and see how to do this on your own um we'll be sharing some links uh that may be put in the chat or maybe you know part of this

presentation once we send it out that you can take a look at okay okay another another way that uh bench can help um we offer bookkeeping okay we offer retroactive bookkeeping and that only means that um there are books that they may be old that you need to catch up on we can help you do that do your bookkeeping income tax preparation and filing so you can focus on your business you provide expert support any time so uh as I was saying earlier I'm a senior Tax Advisor but there are there's a whole uh Department

worth of advisors that you have access to when you're at bench unlimited at no extra cost and our team can answer any Financial question quickly no matter how complex and then what we do offer after in all these things uh combined are smart reliable finances and we do guarantee accurate IRS compliant books so you're ready for taxing excellent and Kya on the no matter how complex do you want to give us a little bit of the small print there in terms of who exactly bench serves right so uh bench you know

primarily serves the small business taxpayer um if there are some things that are complex for instance if you are foreign in any way um and you have uh foreign considerations those type of things uh sometimes we refer out because they become a little bit more complex than what our particular uh business model supports so also if you have sales tax related items because of the complexity and because of the inter the nuances of state law um sometimes we refer that out payroll information we can definitely um consult with you and

we have questions but the actual doing of the payroll and the actual um ins and outs of what your payroll tax calculations are we we ref first things like that so those are a couple of examples of uh things that uh say no matter how complex we may run into things that we have to refer out but we do have options for you uh we won't just leave you uh you know in in in the weed so to speak um just because we don't offer we will try to at least lead you in the right direction if that's your situation so you know please

just uh take a look at us and we can definitely speak about this further you know depending on your tax situation sounds great yes and as K was saying we've got a great partner Marketplace so for things like payroll uh we work with goose Gusto for example uh fresh books with invoicing and uh a whole lot more depending on your needs all right so uh now we're at the Q&A portion of uh of the presentation um I'll KCK things off I've got one that came through already um from deia who says uh and Kia will be answering the

questions uh deia says uh I'm a consultant seeking a list of tax deductions and costs that can be expensed for a single owner LLC to reduce taxes uh Kya any low hanging fruit ones come to mind um for someone like jilia that's in a single owner LLC um well it it about the things that we have already discussed you know obviously advertising obviously meals obviously any travel you know as a consultant you know a lot of times me as a Tax Advisor uh or in the tax industry I have to go to conferences you know

those type of things are deductible uh home office because I know a lot of Consultants um if you have home office and you utilize a home office that's also deductible um you know some other things you know I know social media is very high now so if you're doing a lot of things in social media you had to purchase a camera you had to purchase this that other um related to you having to present yourself in social media those type of things are uh deductible um if you have a cell phone a lot of us no longer use landlines and this is um

something that uh sometimes is omitted or you don't realize it but the portion of the cell phone use that you have business that's also deductible so those are some suggestions sounds good uh one other question that came in was what about the fact that many of us work from home now with a small uh with the home office deduction if your office is like part of your dining room or like a shared living space how would one go about calculating that or making sure you're getting the full maximum deduction available to

right so what you want to do okay so um it has to be exclusive so that's number one thing when you're talking about home office especially when it's a combined room um you want to use a portion of the room just exclusively for whatever business you're doing so if you have a desk area um you know you may have children or a husband or other people that you live with and they might need to use the computer also don't let them use that computer have them have a different area to to do their business and want to be

exclusive and that particular area in that room is what you would need first need to start with what is that area what's the length and width and then you times that and determine what the square footage is and then you would divide that by the total square footage of your home to get to arrive at a percentage and so then what happens is you would have to tally uh how much your yearly expenses are so the things that you pay pay rent at home or if you pay a mortgage or property taxes um the mortgage would not be

deductible but the mortgage interest that you pay and the property taxes that you pay those are the type of things that are deductible including utilities um any other thing that you have home related you could tally all those up for 12 months get a total and then whatever the percentage of square footage that you use for that particular area of your home is what is deductible and um you also can consider any direct direct expenses that you have related to the home office for instance if you had to paint that area or if you had to

separated in some way if it's directly related to the particular area that you're using for business that's a direct expense so that amount is totally deduc versus percentage okay sounds good thank you um okay one more um if you're using an exclusive account for business a banking account for business you still need to keep your receipts and document them even though they itemized in your bank account I would say yes especially for meals um in audits um you know certain expenses require contemporaneous um documentation and

that just means that you have to have a who what when where on the on the uh document so yes um for meals and then for vehicles you would need to keep a a mileage log and not only the mileage log but IRS expecting you if you're ever audited to determine uh and give them documentation of what your mileage was at the beginning of the year and what they were add at the end of the year so that they can determine if the amount that you've given in that amount is correct uh for total does it make sense you know okay if I subtract the the the

receipt that you have for the beginning of the year and the receipt you have for the end of the year does that total equal the log the log amount that you have written down um and so they use all of those things to compile and and uh determine if uh the expense you have is reasonable and is is is truthful because they want to make sure that it you know it's accurate okay and what would your advice be for a lost receipt say something you know just you remember that you would hit up a fast food restaurant you know on a in between

meetings for example and just misplaced or didn't get a receipt what can you do to I guess be a buff board and track things for an eventual audit and in that way in that case um in certain isolated uh situation there is law where you can reconstruct for instance if you there's a total loss uh you were in a fire somehow you lose you lost all of your documents um they expect you to back into certain uh numbers you have to have a way to uh prove that what your reconstruction is or what your estimate is right but you want to for the most

part uh for meals and things that have to be contemporaneous you may not be able to deduct it if you don't have a receipt but in certain cases you can uh use um reconstruction methods uh to back into the the numbers and you would just have to give an explanation as to why it's lost you know you don't just want to say well I lost it or well you know they expect you to possibly you know and it might seem unreasonable because sometimes I I feel like that too but you know they want you to like think about

where you were okay where were you January 1st 2023 I don't remember but you know you might remember you have to figure figure it out do your best effort to contact the vendor or contact the restaurant you know if it's a meal is there any way you can give me my receipt you know or if you have a bank statement that you can get and you got the name of the business or whatever reach out and call like do make your best efforts to get the receipt but if you really can't and you've done everything you can and

it's uh you know it's it's it's part of a expense that you can reconstruct then they allow you to do that right thank you okay well it looks like uh that is the bulk or that is our concludes our questions for right now uh Kia is there anything that you wanted to share to close us off um I'd like to thank everyone for being here thank you for listening um you know we have uh tax advisors available that and CP that our en Ro agents and CPAs and then we're able to you know at least answer your questions

um we're here for you and uh just give us a try excellent all right everybody well wishing you all a happy holiday season and uh yeah just encourage you to you know get through those to-do lists before uh tax season is here and those what what do we say 33 days so all the best to everybody and thanks for joining us we'll see you soon thanks

1. Bench: Affordable Online Bookkeepers - YouTube

**URL**

<https://www.youtube.com/watch?v=TyDl1yEVQ_I>

**Views and time:**

39K views/9 years =361

**Keywords:**

No keywords

**Transcript:**

entrepreneurs they say we're the only people who work 80 hours a week just to avoid working 40 and making my own path hasn't been easy there are challenges there are definitely risks and every day I need to ask myself if I'm doing the right thing I'm not going to lie running my own business I get overwhelmed sometimes but doing things on my own terms gives me Freedom Independence it gives me a chance to do what I love and no matter how hard it gets I wouldn't change a thing thankfully I don't have to do it all on

my own

1. Bench: Affordable Online Bookkeepers - YouTube

**URL**

<https://www.youtube.com/watch?v=ydJ1lXHuXfc>

**Views and time:**

1.2K views / 9 years = 11VPM

**Keywords:**

No keywords

**Transcript:**

**No transcript (Music)**

1. Bench: Affordable Online Bookkeepers - YouTube

**URL**

<https://www.youtube.com/watch?v=u-Dke43CP8g>

**Views and time:**

No keywords

**Keywords:**

234K views/9 years = 2,167VPM

**Transcript:**

when working with new businesses they're really focused on growing the business and not necessarily the bookkeeping so that's where I come in I take care of their books and they can continue doing what they do best and that's building their business hey I'm Graydon and I'm a bookkeeper here at bench what's the best part of bookkeeping and it's getting to know the clients it's not the financial statements and numbers it's just about getting to know people helping them grow

taking that burden of financial statements and tax preparation out of their hands and it's it's like you know we got this I got this don't worry about it and and it's that great feeling of that connection it's a mutual thing the bookkeeping is weighing on your mind give us a call we'll help you out

1. Bench: Affordable Online Bookkeepers - YouTube

**URL**

<https://www.youtube.com/watch?v=iKo_4bI2SsM>

**Views and time:**

6.5K views 9 years = 60VPM

**Keywords:**

No keywords

**Transcript:**

hi I'm Hannah and I'm a bookkeeper I bench it's been great getting to know my client a lot of them have some really interesting businesses and to take some of the stresses of bookkeeping away from them has been awesome I really enjoy getting to know them and helping them feel more confident about their books being a bookkeeper is about more than numbers and data it's about taking care of a tough task so that my clients can focus on their craft and for me that's a really good feeling

1. Bench: Affordable Online Bookkeepers - YouTube

**URL**

<https://www.youtube.com/watch?v=UgHOd1vBQ44>

**Views and time:**

180K views/9 years =1667VPM

**Keywords:**

Accountancy (Field Of Study), Entrepreneurship (Field Of Study), Entrepreneur (Profession), Entrepreneur (Magazine), Bookkeeping (Field Of Study),

**Transcript:**

[Music] when running a business it's easy to fall behind on your bookkeeping this is where bench can help with bench you get a professional bookkeeper to do your books for you someone to get you caught up and to make sure that you never fall behind again your bookkeeper is available by phone email or through our bench app which is where you can also see your completed financial statements whether you have years of bookkeeping to get caught up on or you simply want to get this task off your plate we've got

you covered so if you're behind on your books give us a call we'll get you up to date in no time [Music]

1. Bench: Affordable Online Bookkeepers - YouTube

**URL**

<https://www.youtube.com/watch?v=taBVvSsr52I>

**Views and time:**

230K views 10 years =1917VPM

**Keywords:**

Bookkeeping (Field Of Study), Accountancy (Field Of Study), Accountant (Profession), Accounting Software (Software Genre), Entrepreneurship (Field Of Study), Small Business (Industry), Entrepreneur (Profession),

**Transcript:**

every entrepreneur has such a different story but they all need to deal with bookkeeping bench is an online bookkeeping service created for entrepreneurs we combine software with a professional bookkeeper to prepare your book surreal I would say one of the biggest hurdles that I have when I talk to someone is they're so used to accounting being hard and we're here to make it easy if bookkeeping is getting in your way give us a call helping you grow your business and doing what you love is why we're here

1. Bench: Affordable Online Bookkeepers - YouTube

**URL**

**<https://www.youtube.com/watch?v=TIZT96L5j18>**

**Views and time:**

1.7K views/9 years = 16VPM

**Keywords:**

No keywords

**Transcript:**

No transcript

**107.Bench: Affordable Online Bookkeepers - YouTube**

**URL**

<https://www.youtube.com/watch?v=RmNd9B-UwGI>

**Views and time:**

1K views 9 years = 9VPM

**Keywords:**

No keywords

**Transcript:**

No transcript

1. Online bookkeeping for your business. - YouTube

**URL**

<https://www.youtube.com/watch?v=TnzRSQGTFAY>

**Views and time:**

4.1K views 8 years = 43vpm

**Keywords:**

No keywords

**Transcript:**

adding beauty and comfort to a person's home never gets old for me I feel my online shop with the things I love and hopefully others will love them too I started my business to provide well made products that people would use everyday things that would become part of their routine and make their lives easier I chose to start an online store because I wanted the freedom to create and to live my life in a way that makes sense to me I wanted independence and I wanted time to enjoy this life I've built thankfully

I don't have to do it all on my own

1. Create. Explore. Experiment. Bookkeeping done for you. - YouTube

**URL**

<https://www.youtube.com/watch?v=IOxK0ATO_ww>

**Views and time:**

1.1K views/8 years = 11VPM

**Keywords:**

No keywords

**Transcript:**

starting a business is an adventure it can be challenging and thrilling but it should never be boring create Explorer experiment will be there every step of the way

1. **Ditch do-it-yourself bookkeeping for good | Bench Accounting - YouTube**

**URL**

<https://www.youtube.com/watch?v=qQWxNCbcxIE>

**Views and time:**

16K views/1 year =1333VPM

**Keywords:**

No Keywords

**Transcript:**

(00:06) [Music] uh what is going on over there i'm trying to finish bookkeeping for this year so i can file my business taxes this is fine everything is fine you still do your own bookkeeping how do you even have time for that how do you have time for that oh my goodness was done ages ago bench does it for me bench bookkeeping for you say more words with badge you get tax-free financials monthly bookkeeping support none of whatever's going on over there oh and you can try it for free [Music] bench bookkeeping done for you

1. Webinar: Critical Year-End Tax Strategies for Small Business - YouTube

**URL**

<https://www.youtube.com/watch?v=0bYoLNAXyx0>

**Views and time:**

305 views/2 months = 153VPM

**Keywords:**

No keywords

**Transcript:**

e hi everyone thanks for joining bench and fresh books today my name is Mary and I help lead Partnerships here at bench accounting really passionate about the space because I get to do my part in helping small business owners entrepreneurs are the backbone of our society you all drive the economy and what I hear all the time from

business owners like yall is that you didn't start your business because you're passionate about back office task you also don't know what you don't know rarely do I speak to business owner that actually studied Accounting in or outside of school and this impacts how you prepare and use your financials we're here today to hopefully shed some light on what you should be thinking about these two final months of the year that lead up to tax season this will be essential to get you organized and save

money on your tax bill let's also take a moment to appreciate the fact that you are here today A lot of this content can make people go a we cross side um but you're taking this critical step to show up for yourself and your business all now as you review the agenda a few housekeeping notes for today we're going to be sharing the recording with everyone later so keep an eye out for your inbox and for the recording link to rewatch relearn or maybe even reshare with a fellow business owner I just want to triple check here

is everyone able to hear me okay awesome okay great love the thumbs up we'll continue great so after the recording link we'll also get that sent out and then very very exciting we do have our senior Tax Advisor Kamya she's gonna be joining us for the live Q&A so as you have questions please submit them in the Q&A function so we can save those for the second half of our time here awesome awesome so in case you're not familiar with bench we're a bookkeeping and tax spelling service we're focused

specifically on supporting small business entrepreneurs by taking care of their back office Financial tasks we believe that no business owner should spend their evenings and weekends pouring over bank statements payroll documents Merchant reports and countless receipts at their dining room table just to comile their financials so we you with a real human team of bookkeepers with simple really userfriendly intuitive software to do the bookkeeping for you and that's in addition to helping you prepare for and file your

taxes now passing off to my friend Kaitlin from freshbooks thanks Mary and thanks to all of you for taking the time out of your day to be here my name is Caitlyn and I'm a senior partner manager at freshbooks before joining my team here two years ago I used to work at bench for about six years and I actually helped manage the fresh books relationship there so very full circle uh all this experience paired with being raised by entrepreneur parents has made me really passionate about the small business space so I'm really really

excited to be here today at freshbooks we want to help by making the hard part easy our software allows you to seamlessly create invoices get paid by our clients and now you could even pay yourself and people who work for you with fresh books payroll with freshbooks and bench together we're going to allow you to focus on your business instead of spending your precious time scrambling to prepare your financials for tax season so think of it as freshbooks handling your client facing capabilities your billable hours your expenses your

invoices and collecting payments for each of your clients then let bench take care of your back office tasks their experts are going to take all of the information from your client work and do your monthly books and your endof year income tax prep as your business grows and you add more clients expenses and revenue streams and freshbooks it's increasingly helpful to pair freshbooks and bench to make sure that your books are done every month correctly and that you've maximized your deductions come tax season

all right I'm GNA pass it back to Mary to talk a little bit about why this time of year is the best time to get started on your tax prep Mary I think you might be muted sorry my apologies everyone that happens way more often than it should just wanted to say thanks Caitlyn um and thanks for setting the stage with an acknowledgement um that you know we see you business owners taxes are complicated and a very very stressful topic um and it's because no one learns this in school unless they're an accountant and you don't have

time to become an expert on the tax code and every single rule which is always changing but as you all know unfortunately there's something that you are obligated to do if you don't do it correctly the IRS is sitting there waiting to charge you fines and penalties and interest it's also a lot of work to do the bookkeeping and capture every single deduction you're entitled to so business owners often leave out some transactions which means again you're paying more to the IRS than you need to so how do we make sure we get

this all right we start preping in advance tax season it doesn't need to be a Sprint it's something that ideally you're preparing for by doing the work year round and if you are doing it yourself you're going to need to make sure you understand at a minimum what is expected of you what forms to fill what to pay when then you have to make sure you don't pay more in taxes than you have to make sure you're capturing every transaction um and yes that does include your Amazon purchase that you made on

your personal credit card if that does sound like a lot you need to know that once again you are not alone most business owners try using a DIY software when they start the business even if they don't know the first thing about bookkeeping and that can be really hard now think for a second about the problem that your company solves whether you sell products or deliver a service now think about what you say when people are doing this themselves would you recommend DIY in your industry probably not DIY is not

something that you would recommend for what you specialize in offering for your customers nor something that's as technical as you know being compliant with the IRS so regardless of what your plan is getting started early is the right step so let's s in to see what you can start doing today to get you prepared and knowledgeable on how to save on your tax bill great let's start with tax deductions and credits so first we want to clarify how tax deductions actually work this term tax wrov is often thrown around and

there are so many misconceptions about what a tax deduction actually is and how to capture it and we're we're going to start here with a Quick Clip to show you what I mean a new L yeah I'm thinking of bringing Hare um into the store so that's a write off that's a write off yeah do you even know what a write off is uh yeah it's when you buy something for your business and the government pays you back for it oh and who pays for it nobody you write it off who writes it off I don't know the

Govern the write off people what why are we having this conversation so if I need booze to get through my day I can just write that off that's a stretch but the skincare products you got this morning those are right off what skincare products you purchase skin care products okay I am the face of the company if I have acne what does that say about the legitimacy of the store that's not a write off that's not a write off they not a write off oh well the betting is non-refundable so David a write off is a

business expense used to reduce your taxable income okay well then why isn't it called a tax write off it is it is so as we saw here with David there's a lot of misconception about what a tax deduction or a tax write off actually is so if it's something that is unclear to you you're not alone a tax deduction is an expense you have that reduces the amount of your income before tax is calculated so tax deductions are important because they lower your taxable income or the amount that the IRS is going to come looking to charge

you tax on this could help you shave hundreds maybe even thousands of dollars off your tax bill so after the webinar we're going to share a resource on the types of deductions you should look out for and we do usually run a webinar in January that dives into this topic a bit deeper um we're going to talk about the ones that are commonly missed so you should definitely join us for that in the New Year awesome now while tax deductions reduce your income before tax a tax credit reduces the actual tax you owe dollar

for dooll and if you do not owe tax certain refundable credits may give you a refund so let's walk through a super simplified example say your gross income for the year was $100 and you have $10 of expenses that you can submit as tax deductions those are subtracted from that gross income to get your now reduced taxable income of $90 then the IRS comes to collect taxes on that $90 let's say again simplifying this you fall under a 24% tax bracket 24% of $90 is $21.

60 that's now what you owe to the IRS but if you are eligible for any tax credits you can then take the amount of those credits and subtract them from your tax bill to get your final taxes out but like anything with the IRS it's not always the straightforward you know there's rules nuances for different expenses to be aware of for example business meals expense you can generally deduct 50% of qualifying food and beverage costs but you can deduct 100% of the cost of providing meals to employees such as buying pizza for dinner when your team is working late or

having a party working with a professional is the best way to make sure you are taking advantage of every single deduction available to you and complying with the IRS passing back to you Caitlyn thanks Mary so now that we're all on the same page about the IRS and how tax savings are accumulated let's talk about some ways for you to optimize your tax situation that need to be handled before the end of the year so first I'm just going to drop this here there's no need to panic as you can see there is still time but as

we all know the holiday season gets busy especially for you business owners and every year it seems to creep up on us before we know it January is here taking the time to join us here today is a great first step to getting ahead for next year so now we're going to walk through the list of business moves that you can make to ensure a smoother tax season first things first consider delaying your income until January to reduce this year's taxes if you're a cash-based business postponing invoices or receivables can

be key so how does this help you well when you for the receipt of income you're also deferring the payment of tax on that income into 2026 this can also be helpful for cash flow if your business experiences a post holiday season slowdown next if you've got them tackle your bad debts if you use the acral bookkeeping method and someone owes you money that you can't collect you may have what's known as bad debt so the IRS allows you to deduct the cost of of bad debt from your tax return but you need

to be able to prove that you took reasonable steps to collect on that debt this year use these final weeks of the year to attempt to collect all of your outstanding payments and be sure to keep a detailed record of that debt collection efforts anything that feels like a loss cause can actually result in a tax savings so there are two methods to claim bad debt either using the specific charge off method or the nonacral experience method so this might be something you want to talk to your accountant about so they can make sure

that the debt is deducted properly since this can com can get a little bit complex if office repairs or improvements have been on your to-do list this year let's think about how you can get them done now so the IRS categorizes the cost of property maintenance as either repairs or improvements so you can generally deduct the cost of a repair within a single year so for 2024 on the other hand the cost of improvements generally needs to be deprecated over a period of up to 27 and a half years so changes to property are

classified as improvements when they include betterment adaption or restoration but be careful if you're improving a home office area even in light of the pandemic there are strict rules for what qualifies as a home office the space should be used solely for business purpose so if you have a garage that you use to collect in collect and hold inventory that's a home office but if you also park your car in there not a home office so you won't be able to qualify for any repair Improvement deductions before you submit any

expenditure on these repairs it's a really good idea to have your CPA or Tax Advisor determine whether it can be deducted as a repair or Improvement and this is something that the tax team at bench can also help you out with next if you started your businesses here you might be eligible for significant startup cost deductions is anyone here with us today a new business owner let us know if you are in the chat and congratulations that's a really big first step in order to qualify for this startup cost deduction your Venture must

have launched before December 31st and must be an ongoing business as long as your startup expenses did not exceed 50,000 in 2024 you can generally deduct $55,000 in business startup costs if you're a new business owner we recommend you consult with your CPA or again the folks at bench can help you out there is a lot you're going to need to know so this is just one small item I'm also seeing so many new business owners in the chat and that makes me so happy so again congratulations lastly you might want to re-evaluate

your business entity type it could make a really big difference come tax time so most small businesses start as Sole proprietorships and this is because they don't really require any paperwork or Declaration to the IRS so make sure you check What entity you are as the forms needed are pretty different sole proprietorships aren't taxed as a separate entity instead they're considered pass through entities meaning that they business income and expenses are passed on to the business owner and recorded on a schedule C as

part of form 1040 which is the individual income tax return as a result your business pays the same tax rate that you do depending on whatever income bracket you fall into so we could do a whole presentation on this but each business structure has its own tax benefits and drawbacks so whether you're a C corporation S corporation or a limited liability company making a switch to a new entity type can greatly impact how your business is taxed so talking through your options with a tax professional can help you identify which

entity type will best suit your needs fun fact bookkeeping and accounting software are actually tax deductible expenses so if you plan to buy or sorry to buy an online service like bench or freshbooks or pay a bookkeeper to help you uh catch up on a large backlog of bookkeeping from 2024 Beyond if you arrange for this and pay before December 31st this year you can claim that expense as a tax deduction so if you've been thinking about it now really is the best time thanks so much Kaitlyn that's really really great news to hear

about bookkeeping and invoicing to be tax writeoffs there are going to actually be professional service expenses on your income statements and we cannot wait to show you what that looks like awesome so now that we walk through some moves you can consider making the next two months let's think even further into the future for when it's time to file and talk about what you can start doing today to help prepare for the payment and paperwork that's coming your way you know you're going to need to pay

your tax bill so getting financially prepared for that can help make it less stressful as a general rule it is suggested that you set aside up to 30% of your net profit for taxes the amount set aside will vary depending on your state and the kind of business you own and the 30% should be based on your net profit for the period versus your entire Revenue earn so to make it easier for you we do suggest setting up a separate bank account that holds only the amount save for tax purposes then move 15 to 30% of every

profit each week or month into that account and don't touch it some banks will help you create a rule that automatically moves that percentage into your savings account so if yours doesn't you can manually transfer those funds once a week once a month depending on when you review your business financials and that will help you make sure you can cover your tax bill without stressing or having to pull money from elsewhere the next piece is getting yourself organized to file Step One is writing some key dates on your calendar

it's really important to first know your business entity type because that will inform which forms you need to submit as well as the date you need to file by curious and you can use the chat here does everyone here know their entity type way to go Michael awesome Paul we got a couple NOS in there we can definitely review that later with our Tax Advisor sweet so it's really important to get your filing type right because they're going to be fines for not completing a form or paying the associated fee on time and for every

form that is not filed or filed incorrectly there are fines they can charge so to find this list you can definitely Google your entity type and tax forms there's a lot of resources um but bench we do have a really great tax guide that spells out all the forms needed per filing type and I believe we'll be sharing that in the recording email as well so some key dates to be aware of January 15 if your business pays taxes on a quarterly basis the final 2024 estimated quarterly tax payment is due this day that's January

15th generally you should expect to make estimated tax payments if you're profitable however depending on your tax situation you may have an estimated tax responsibility based on your personal tax situation so you can confirm that with your tax professional now next date here Janu January 31st the W2 form if you have employees you'll need to fill out two copies of form W2 for each one one W2 must be submitted to the IRS the other must be sent to your employee now there's also the 1099 NEC if you work with independent contractors

you must file form 1099 NEC by January 31st 2025 copy a must be filed with the IRS by the state copy B must be sent to the contractor on the state as well next we have March 17th this is the first filing deadline S corporation and partnership taxes will be due this state April 15th if your business pays taxes on a quarterly basis the first 2025 estimated quarterly tax payment is due this stay and also this will be the sole proprietorship and corporate tax return due date as well these are just a few of the dates to know again consult

that list of forms their due dates to make sure you are fully covered lastly get a head start on those deductions you know if you're not working with a professional who will be identifying deductions for you you have to start the work now if you haven't already identified the ones you can take advantage of it's really really important to lower that t spell better yet get in the habit of regularly reviewing your your expenses monthly to find them so that moving forward you don't have to spend time

trying to remember what a receipt from February was for because I sure wouldn't I have a bad memory awesome so we talked about a lot here today there's deductions credits moves to make before tax season um and some early prep you should start now we know that it's challenging to navigate all these forms and payments deadlines it's easy to give up and not hunt down every deduction that could lower your tax bill if you're doing it yourself you need to make sure that you are on top of it make a clear list calendar so you

don't miss something or fall behind or you know miss a deadline get hit with one of these findes but having someone to double check for you is in valuable and better yet having someone do all of it is a huge time and stress saver so if you're looking for personal Hands-On support to pay the least amount of taxes possible come talk to us this is literally what we do we have a professional team doing the books for you and they'll even file your taxes if you don't have an accountant that you're

married to we hunt down every single trend action and deduction possible so you aren't paying a dime more to the IRS than you have to and you have unlimited access so that's unlimited communication with your team so if you have questions on how to use these statements to make financial decisions whether to incorporate or where to file those incorporation papers we completely got you we do this for you every single month so you always have the financial information you need to make confident business decisions now whether you need 2024

completed cleaned up caught up possibly from years past our catchup bookkeeping experts will work with you to ensure that your previous months or years of books are swiftly completed and compliant with the IRS regulations now is the time to get 2024 caught up if you're behind this will make tax spelling next year a lot easier on yourself and if you wait until next year you're going to be scrambling before deadlines trying to plan for 2025 but caught up in the headache of what your financials were in 2024 thanks Mary so this video shows you

just how easy it is to get started with freshbooks so simply create an account and you'll be directed to your dashboard where you can get started creating your first invoice simply add your client details billables and send it off clients will get your invoice via email and they can pay you directly online providing you a seamless way to get paid you can also add expenses easily by connecting your accounts directly to freshbooks or adding them from your desktop or mobile when you're on the go this makes it really simple to get a

snapshot of the health of your business using the reports that will be populated in your account in addition to these features freshbooks gives you the ability to do things like time and mileage tracking providing proposals to your clients and we recently launched freshbooks payroll to help you pay both yourself and any employees that you might have and these are just a few of the features that we offer so as we get closer to tax season all of these tools and reports will help you get organized and if you decide to move forward with

both bench and fresh books this information will also become invaluable for your bench bookkeeper I encourage you to check us out and see how we can take the heavy lifting off of your plate if you're wanting help now really is the best time to get ahead of year end and through the bench and freshbooks partnership you can get a special discount of 20% for 6 months off of bench or if you're just interested in freshh books you can check out our website and get 50% off for 6 months of our own service so to claim the joint uh offer

that we have with bench we're going to drop a link in the chat for you and we will share this in the recording email as well so that you have it afterwards Mary throwing it back to you awesome great so that brings us to the end of our presentation portion thanks for tuning in I am now excited to kick off our Q&A and in a moment I will introduce our senior Tax Advisor who will handle most of them but remember if you have any questions please use the Q&A function to submit so we don't lose track of any in

the chat um and I will be keeping an eye on the chat as well scrolling up to make sure that we do answer all the questions for you Kya over to you thank you hello uh my name is kamama Franklin uh enrolled agent and Senior Tax Advisor for bench uh let me see we do have several questions so is it that you just want me to start at this at the top Mary and uh continue on yes so I think what I'll do here is I'll go to the Q&A function first um and then let me just read them out and then we can head into the chat

and see which ones we can find that we're kind of lost in there perfect so um we will start here with a question from Sean so if you have a home business and a dedicated home office and clients do visit your home can you write off any home repair expenses home upgrades to the front house Etc Great Well Sean uh yes okay so if you if your home office qualifies you to have a home uh office deduction on your um sole proprietorship business single member LLC Schedule C um yes you can take a portion of um any expenses that

you have that are considered indirect and then there's a second way for instance if you were to make upgrades to the actual space in which you have the home office those will be considered direct expenses so you'll be able to take 100% of that um but if you're in a home and you're just doing General um repairs for instance um landscaping or for instance just general repairs to make the the B the home um in general yes you can write that off uh the percentage of use for your home office awesome thanks K next one here um the

question is what about W8 independent contractors okay so I'm I'm assuming when you say W8 independent contractors you mean contractors that are hired internationally from other countries other than the United States if that's the case uh what happens is they file a W8 Ben form and so that um if they aren't United States citizens you aren't required to issue them a 1099c as you would someone who's a United States citizen but uh those individuals are required to file the form Wen and submit them to you uh which

certifies them as a foreign um person and it also allows them to determine what type of treaty benefits depending on what country they're in um if not you as the person the vendor that is uh using them would be responsible for withholding tax from their particular um monies that they're receiving from you so great question thank you so much K I am learning so much already awesome um from Daniel here uh two questions are the dates the same every year and how do you know if you owe quarterly payment okay so generally speaking yes

the due dates are generally the same every year so estimated tax payments are due generally uh quarterly on the 15th so you'll have it due uh April 15th so if this is a holiday if there's a holiday that falls on April 15th or if there's a leek year there's a chance it it can you know maybe go to the Monday or go to the next available business day um but in generally speaking it's going to be April 15th uh June 15 September 15th then it jumps to January 15th of that next year um this next year coming I believe it is

the 15th um um and you said the estimated tax payments yes what's the second question how do you know if you owe sorry how do you know if you owe quarterly payments okay so quarterly tax payments are determined um first of all the majority of uh people who have businesses will probably pay tax with their individual um as a individually um the only entity that would be required would be C corporation so if you're S corporation partnership uh or so proprietor business you're going to pay tax individually so

you if you as an individual owed $1,000 or more in the previous year then that's what sparks the IRS to uh expect to receive an estimated tax from you so if you don't have that so let's just say in 2023 when you filed your taxes either on October 15th or April 15th this year you got a refund okay you don't necessarily have an estimated tax responsibility meaning you have to pay something April June September or January um now that doesn't say that you won't owe anything you know when the due date comes but you

won't receive a penalty for not paying in advance those monies um if you owe less than $1,000 do you know the suggestion is to make the payment but you don't necessarily receive a penalty for not sending it but once you hit that ,000 Mark in a in a prior year so 2024 is the next year that we're going to be filing a tax return if you owe more than $1,000 as an individual for 2023 you have an estimated tax requirement uh to pay within those four quarters now um if let's just say by chance you file

late or you didn't file until October 15th because obviously two out of the four estimated tax um due dates have passed by maybe you didn't realize you needed to pay this this is common um there are other things we can do at the time of filing you know determining what type of estimated tax filer you are maybe you can be an annualized uh tax Filer and that can also mitigate you having a pay the penalty so it just depends on you know where you are personally but generally speaking that's how they goes awesome thanks Kya okay um there's

an easy question here for me just to give you a little bit of a break um does bench use offshore bookkeepers um and then do we have to disclose this to our clients um give you guys some piece of Mind here all of our bookkeepers are in housee um so we have two offices we have a Vancouver office and then we have a Toronto office um but everyone that works within bench either live in Canada or in the states so no one overseas no one offshore um they are going to be all employees of bench trained professionals perfect okay so um next question here

this one's a little bit more personal let me just take a look okay so if as a business owner I submit a 1099 for my contractors and then submit it to them but didn't submit it to the IRS what is the py what do I need to do um I've given it to my contractors yearly but I just learned from you that I need to also submit to the IRS oh yes well that's that's common and that's okay you know we're all here to learn um but yes uh when you have independent contractors that earn from you more than uh $600 in one year uh as

of 2023 you're supposed to issue them a 1099 and then send a 1099 to um the government um this is so that they can track you know and and make sure that they keep the tax Gap uh as small as possible so if you had not sent that to the government um there is a penalty um I did look this up and so if you pay after January I mean if you send those documents after January 31st and you're from one to 30 days late there's a $60 per form fee up to a maximum of $588,500 per year per small business if you're 31 days late to August 1 then it

goes up to $120 per form so it doubles um up to a maximum about 1.1 million and then after August 1 or not filed at all in that year it's three $310 per form up to a maximum of 3.5 million so it is important to get those documents in on time um and the IRS U expects you to do so so if you haven't you know this coming year just make sure you do it by January 31st that's what I would do amazing thanks Kia okay from Sean oh I think we already got that one my apologies um the next one here is can we talk a little bit about accelerated

depreciation or a tip for someone that has high net income and wants to bring it down with some deductions before end of year well sure okay so the the hottest topic regarding that you know due due to the uh tax cuts and job act and different things that arise because of covid um they allowed for more more bonus acceleration uh for depreciation opportuni so for instance if you purchasing a heavy vehicle uh there are certain vehicles that are considered heavy if they're over 6,000 pounds and since around 2021 we're in 23 right since 2021

we have been able to take the depreciation or the full expense of a heavy vehicle in one in that current year so uh since 21 you know there have been changes um and so for two the year 2024 I believe the maximum you can um take in one year or in the first year uh that you place it in service would be 60% but that can be done for vehicles heavy machinery things like that um and so I have seen where High net earners use that um I have heard you know individuals who are W2 based uh now short-term rentals are things that people are looking into you

know being someone who uh is called Airbnb you know having shortterm rooms where people come in and they uh rent your home or something that you own vacation property whatever over less than 14 days and then that allows you and qualifies it to be a short-term one I mean there are more requirements than this this is a generally speaking thing and if you would like to handle something like this I would definitely suggest that you speak to your CPA or a responsible person that can run numbers for you to see where you would be but generally

speaking those are the two hottest things that a high net earner could consider you know lowering the income okay perfect awesome um next one here is does bench support xat slash us business owners working from abroad with bookkeeping yes if they are us United States citizen um yes we can definitely assist with that now um if you have certain foreign um involvement um then you may run into an area where you may be a a disqualified person for bench tax that does not disqualify you for the bookkeeping portion but um in order for us to be able to

successfully complete your tax return if you have certain foreign things um and not just you uh living because we we know it a lot of people that decide to move or live abroad instead of living in United States but they have a a United States business or they have dealings in the United States which makes them still have to file a uh us tax return so um not that but if you run into some things where you might have a partner that's foreign or you might have some type of other business that we need to incorporate into your personal return or

your business returns something like that maybe disqualified but generally speaking yes we do support xats that are United States citizens and have United States businesses awesome yeah thanks Kya yeah just to make sure that's extremely clear for everyone bench bookkeeping we can definitely support you as long as you have that us you're registered in the US you're looking for cash bookkeeping and the only limitations are going to be around bench tax um that just we just want to make sure that you know we can

really support you in all the complexities and so that's something that will be really really great to speak on when you speak to one of our uh bench Financial experts great um there's also a question here from Margaret that's asking if it's 70% off for both products um so it's actually 50% off six months of fresh books and 20% off six months of bch great now Kia question for you here from Sarah do you have far compliance experts um generally speaking no we do not we we won't have those type of

experts here uh different things like that we lead to uh others who have have a more um personalized experience with that we just certain things we just don't handle and things uh of that sort we do not and Kya is that because it's a cruel is that correct yes it's just things you know the way that our business model is set up at this very moment is that we um you know help I don't want to say a simpler client because we do help a lot of those that are um have more complex uh situations but you know for the most

part we handle cash or modified cash based exactly businesses and that's why because it goes off to the left there we want to make sure that we can offer you the best as possible experience when handling your personal identifiable information and your personal finances you know you don't want to come up with something you know and we trying to do something that we don't have a business model for yes absolutely perfect great um and this one here can an outstanding invoice from two years ago still be

considered a bad debit deduction um uh for cash um for a cash based taxpayer I'm going to say no perfect awesome next one here is I would love to learn more about the limitations or things to be mindful of when it comes to expenses that are deducted able um you mentioned that food can only be submitted 50% can you say more about that what are other types of expenses we should be mindful of um for this one I'm going to actually refer that to the resource that we will be sending you over email it's going to

show you uh just an extensive level of information on the deductibles um and it's also going to show you just the percentage that you can be writing off and then the most commonly M deductions as well okay and I will just say one thing um anything that you would potentially like to deduct what need to be ordinary and necessary for your particular business so um if you take it that um take that first then that will help you um because it's supposed to be this is what you have spent throughout the year

supporting your business and it has to be ordinary meaning something that's not extravagant you know it's not something that you uh that you would naturally or normally see under the course of uh your business conducting business awesome and then from Vivian here um they asked if we are assisting with ride share drivers as well um and I have been with bench for a little over five years now I have definitely spoken to a lot of rare drivers um so feel free to book in that consultation we are more than happy to

help great now this next one here says they're too deep into freshbooks right now and what other accounting software does bench work with um so I'll clarify this here so fresh books um they really really specialize in AR so accounts receivable invoicing um and then they do offer bookkeeping SL accounting on their end um but on the bench side what we specialize in is accounting um so Kaitlyn do you mind just expanding really quick on what other accounting softwares that y'all might be working with um so I think what

this person is actually saying is that they're they're using another platform and they feel like they're they're kind of golden handcuffed to that to switch to FR God oh God um but just to throw it out there we do offer either like a manual switching service or we have a team that can help you trans for your information over so if that is a concern um you know please reach out and talk to us cuz I'm sure we can help out there if you really are looking to switch off of whatever you're currently using right

now perfect yeah thanks for clearing that um clearing that up for me Kaitlin um so yeah if you let's say you're looking to move over to bench for bookkeeping um justess as the same as fresh books it's a very like Hands-On um personal support you know there's a human on the other end that's if there's any other like thirdparty logins any like statements that you need to upload we can pull in that you know seamlessly through and then we can catch up your bookkeeping for you for as you know for as far back

as you need to go really great um now for Kya uh for an es Corp Can you hire your kids or family members using form 1099 uh you definitely can I mean that means that they're an independent contractor an independent contractor generally speaking um is considered self-employed so they are going to pay ordinary tax as well as self-employment tax which is around 15.

3% so generally speaking that person your children or your family member will tend to pay more tax um there is a thing especially in California and other that are highly regulated or pay attention to this where they are identifying or making people determine whether uh a person is a actual employee you know there's a test are you an employee or are you an independent contractor and it surrounds the work or the level of control you have um to that person so um you can do that but you want to be careful to make sure to determine if the person is actually doing independent

contract to work meaning they're working kind of on their own or determining the type of work or how they're going to do the work themselves or if they are truly a wage earner which mean that you would need to pay them as a w you know give them a W2 and and them a paycheck and take out the proper Medicare and Social Security tax um each time they they're paid so that's the big difference but you definitely can do that that's possible thanks Kya okay I'll take this one here um there are some questions

around how we communicate um or how a business owner would be communicating with bench um so it's not just cenly cenly is just to book in that live phone call or maybe a zoom um we have actually a message feed um where we aim to get back to you within one business day so outside of the phone or Zoom meetings you have your message feed unlimited access um there's no additional cost there great now Kya um if I purchased an existing business does any of the cost that does any of that cost count towards startup

costs uh well it definitely would depend it definitely can you know it it really depends on how that uh purchase is is uh set up but uh of course if you you know you you purchased a business you know know it may have assets it may have uh a Client List It may have a building you know it just depends now if you're having to and have not opened a business for instance if the business is closed and then you bought a business and then you're reopening it um there is a portion where you need to place the

business and service anything that you purchase in that window will be considered a startup expent so in that case that would be yes so I mean it just VAR it just varies but um yep I definitely something like that is a little bit more complex so I would suggest you lay out all the details to your CPA or your enroll agent and they will you know give you more guidance for what is deductible awesome okay so next one here from Kim how do we determine the benefits of switching from an LLC to an escort and does bench help me with

changing my tax identity bench definitely uh can assist with that okay generally speaking all right um NS Corporation is a election so it's not actual entity change so you would be determining um you know as a LLC you're either a one person or single member LL or a multi-member ll uh and that means that you registered your business with a state and um they're determining what you are based on the number of people that are registered for that business um so whether you're a multi-member LLC partnership or a single member LLC you

know so defaulted to so proprietorship Schedule C uh reporting on your personal return um you can decide well I want to take the S corporation now should you it depends on a lot of things what what you want to happen um do you have a need you know to do it um do you qualify meaning you're just fully domestic just the US you know you only have us people you don't have a need to take on investors um your profit might be to the point where you can stand to save money now um you know which is negligable it just

depends on where you are usually that starts around I say around $60,000 profit um so you definitely can do that I mean it's it's relatively easy um because it's just a one sheet form you won't need to change anything it's almost just like submitting the form and then waiting on the IRS to respond to it it's form 2553 um and there is there's wording that needs to go on there um but you don't actually have to switch um anything with your state you leave that alone and just make sure you have a tax

ID number in that particular um registration there if you don't have a registration with the state then you would need to go and register with a state as a LLC and then apply to Bea s coration awesome um question here again from Sean and um I know we're going to be sending out the resource but since we have you here Kamya are there any unusual writeoffs that people might not think of like clothes te thermatology um and then they said I know we can get an HSA account to help with healthc care right off which is

great um but they're curious I mean depending on who you are for instance if you're in entertainment and you wear new costume if if it's something that you can't wear on the street then yeah you can definitely claim that you know for the most part if you can prove that it's something that's required and ordinary and necessary for your business to operate then you can definitely deduct it um as far as health care is concerned um you know that can be written off as an adjustment uh if you're selfemployed you

know or either if you have a S Corporation your business can pay for it and then it has to go on your W2 and then you write it off as an adjustment but you can definitely do that H just say you know are good um uh Health reimbursement plans if you have a spouse you know that works for people who have that you're sole proprietor businesses you can hire your children under even if they're under the age of 18 um and you don't have to pay any Medicare or uh Social Security tax for them and so that's a good savings and not just

paying them a salary but you can pay them in other things such as like uh their own IRA and things like that so you put money up for them um so so those are some good items uh for that last one um you can only do that you know the best way uh as a sole proprietorship business awesome great um now from Aaliyah can I write off some work trips as mileage reimbursement and then claim gas to fill up my car when traveling for certain work trips so you definitely can uh reimburse or claim the mileage you want to keep a

proper log at all times uh and it just needs to identify uh where you you know why you needed to go how many miles it was and it can't be commuting miles it has to be from uh your work location to the location that's uh not uh your work location so you can't do it like from home to there uh but yeah you definitely can take it uh it just needs to be documented properly um even if you're traveling uh yeah you can do that if you're if you're on um on a work trip and you're driving for sure yeah just make sure it's

documented great perfect um this one here if you are a US citizen and you've been working as a 1099 contractor in the States but you move abroad um does that change what form you use uh no you must report your all your worldwide income so if you were working as a contractor in the United States but now you work as a contractor some kind of way in another uh country or if you uh working from home somewhere but you're in another country you're still responsible for filing the uh 1040 you form you know that's still the form you

would file um the other forms are for individuals who are't considered residents so yeah that you would if you're United States citizens you want to file the same form uh form 1040 and if you have any other income in that country you also should report that to uh on your 1040 and then determine you know because you might have a filing requirement in another country now determine you know what part may not be taxable in that in the United States or the other count so you know it becomes a little bit complex but that's

something that we can definitely assist with thanks Kel um and I'll take this question from Carl here so can a single bench subscription be used for multiple small businesses under an umbrella company um so essentially what this is um is we can definitely have businesses on boarded under a holding company but each company under that if you're looking for detailed books then those have to actually create a second third bench account um but we do have multi- buus discounts as we do have a lot lot of entrepreneurs that we work with um

that have a lot of different businesses um so feel free to book in that consultation and we can definitely talk about how we can support you okay um I'm just gonna jump here um we do have one question that was asked um by a few people and a few times so um I just want to ask this as the very last question and then we'll wrap up um so I have a lot of customers whose businesses I support uh is it tax deductible when I spend money with them um what do they mean businesses they support so they are the vendor they

(1:00:41) are providing services to uh people um if you're providing a service and you're considered to be in business and you're getting paid on the $10.99 or they're paying you cash or check or something of that sort then yes any expenses that you incur may be tax deductible to you uh so it looks like the person who asked the question was saying that they're buying from the customer you're buying a product from your customer to be able to provide the services that you uh give the customer if you're using it in the course of

(1:01:28) business I want I I would lean to say yes that's tax deduc if you you purchase make a purchase even though that person is a vendor of yours um and then you need to use it you know I'm I'm assuming for instance if you're a IT person or something like that but you're servicing a Best Buy or something I'm just off the top of my head and you bought some type of something that you needed to use then yes that would be deductible if it's like a piece of equipment or or something like that the supplies will be

(1:01:58) deductible to you as an expense awesome cool thanks M we appreciate it no problem okay um so unfortunately I know there's a lot of questions um this is exactly why we have bench we have fresh books um we are at time we're actually three minutes over 11 sorry about that y'all um but what we're going do um is we're going to send a an email we're going to be you know re-sharing this recording link you can sh share it with your fellow business owners as well um and then also send a link to freshbooks

(1:02:38) and then to bench so you can talk to our experts ask these questions they're very very knowledgeable um and then let's say you do on board um you know we have lovely tax advisors like Kia here um that are more than happy to help so guys thank you so so much for for joining bench and fresh books today um and you know we can't wait to join you y'all again very soon thanks so much everyone thanks everyone Bye by

1. What customers are saying about Bench - YouTube

**URL**

<https://www.youtube.com/watch?v=U7Q4xq8GJrg>

**Views and time:**

127 views 4 months=32VPM

**Keywords:**

No keywords

**Transcript:**

[Music] they just clean it up they move fast they know that that's what you do and they don't they don't make you feel less than because you can't do it just Outsource it it's not your zone of Genius let them do it cuz that's their genius before I moved to bench I hired a bookkeeper and they were more expensive and they were not as good as bench which is shocking [Music]

1. The Top U.S. Tax Questions Entrepreneurs Should Know the Answers To - YouTube

**URL**

<https://www.youtube.com/watch?v=FLaqNKDWqo4>

**Views and time:**

1K views 2 years = 42VPM

**Keywords:**

No keywords

**Transcript:**

welcome everyone thank you for joining us as we talk about the top U.S income tax questions that we get asked here at bench accounting and what the answers are for entrepreneurs and and how you can get informed so um I'm going to introduce myself first my name is Heather Ferguson I'm the head of content here at bench bench is a full service bookkeeping and tax filing solution for small businesses and I lead the team that develops helpful resources to educate small business owners on how to manage their finances and taxes if

you're curious you could check us out at bench dot Co slash blog that's where all of our resources are located um and then joining me today is Camille Franklin she's a senior advisor on our in-house tax advisory team and Camille maybe you can walk us through your background and your tax expertise absolutely um well hello all my name is Camille Franklin and I am an enrolled agent for Michigan and uh one thing I do like to do is explain what enrolled agents are because many people have often never heard of that so and it's placed in the

financial world so enrolled agents they're federally authorized tax practitioners empowered by the US Department of Treasury it is the highest credential awarded by the IRS and it allows practitioners to be able to represent taxpayers before the Internal Revenue Service um this is overall Tax Matters collections audits appeals tax returns um me personally I've been in the accounting and tech industry the last 15 years I have been with bench for just under two years and I'm actually the longest 10-year divisor here in my prior

position I was an accounting manager for three property independent television station over the last 13 years so welcome everyone wonderful so um for those of us joining today that aren't too familiar with bench I wanted to provide a quick overview about what we do here so bench is America's largest full-service bookkeeping solution for small businesses um we pair you with our in-house expert bookkeepers and to get your books up to date and compliant with IRS standards we provide interactive and easy to read

monthly Financial reports and we can also file your income taxes for you our tax support is also not only limited tax season it's year round so it's unlimited support from our in-house tax advisors who can help you optimize your business to reduce one of your largest expenses which is taxes um we also have a network of partners that as a bench client you will get access to we have exclusive discount with these Partners which is a really great perk um really quickly I want to go through the agenda and just some housekeeping

which I think can answer some of the questions that I'm seeing in the chat um first we're going to walk through the top questions that we get asked about small business income taxes in the U.S and Kamia will be giving us her expert answers for those top questions then I'm going to share for a way a way for everyone in our audience to ask a Tax Advisor your specific question um about your small business or your income tax questions if they aren't answered in the original questions that we review and then at the end we're

going I'll give you all an exciting limited time offer that is exclusive to Global entrepreneurship week so something really exciting for you attending today um housekeeping notes the webinar is being recorded you will receive the recording in your email after the the broadcast today um also keep an eye in the chat I'm going to share helpful links and resources for you that you can kind of bookmark and come back to after the webinar to help you with these questions um also if you are using the chat make

sure you're switched to panelists and attendees so your fellow business owners can see your comments but remember do not share any personal information don't send your social security number through chat don't send anything like that there um just but definitely try to spark a conversation or put a question in that someone else may also have um and then uh we are also sharing a free ebook for all attendees today that will be in your follow-up email as well and it also will go into depth with a lot of the questions that we are

answering today so be sure to check out your inbox after the webinar to get the recording and the ebook um to some of the top tax questions that we get asked but before we do I just want to highlight why we're such a great resource to answer these questions for you we get asked a lot of questions questions at bench we have an accounting and tax advisory team of over 270 people we have a wealth of expertise and experience on U.

S small business taxes and we've basically narrowed down the top five questions that we get asked so after today's session you can take away an understanding of the area of your business income taxes that cause small business owners the most confusion and potential hiccups with the IRS down the road so let's dive into the first question um and this is one that we get quite often and it's how do you pay yourself as a small business owner so come on okay how do you pay yourself sure sure okay yeah we do get this a lot on some of the things that we answer in

our tax advisory calls um when you subscribe to Lynch tag for that um the best way to pay yourself it actually depends on which business infrastructure your business is and so um generally speaking as a sole proprietor or partnership you'll have the option to pay yourself a draw which a draw is basically uh explaining what that is and simply withdrawing money from your business account at a selected interval now if your tax structure is more of an S corporation or a C corporation then you will need to pay yourself a salary

uh or a formal payroll from your business and so that's where and the big difference is where this is where the proper employee employer taxes are repealed and submitted to the government at your selected interval and so as a sole proprietorship this will mean um you can simply just write a check transfer with your other funds from your business account to your personal account uh your bench bookkeeper will go ahead and call these withdrawals as owners draws and your own is up with your account and then for Partnerships like

sole proprietorship you will do the same you write a check transfer withdrawal funds from your business accounts to your personal uh as long as it's documented that this is what all departments want to happen pursuant to your operating agreement um and so for sole Proprietors and Partnerships you're taxed on the net profit and not the actual draw amount as corporations your tax on the net profit um but your salary is also taxed uh at your personal rate as well as um your profits will also be on your personal return

okay great um so I'm just looking for questions in the chat it seems like everyone's aligned I've shared a couple of blog posts that can dive into this a little bit more as well um so let's jump into the second question um how do I save for taxes so this is something we get asked quite often um yeah so as a general rule and so it just depends on your tax situation but as a general rule uh we suggest that you set aside maybe 30 of your net profitable tackling so this is really comprised of uh estimating what people generally

would all um ordinarily as a person and then how much you would own self-employment tax so self-employment taxes is a static amount 15.3 percent uh across the board based on your net profits and then the other part of your tax is based on how much your total tax situation how much your total tax suggested growth income is for the year and so as a general rule just to make sure you're saving enough is 30 percent um just to let you know that profit is how much revenue you earn minus any ordinary and necessary expenses that occur

throughout the year and you should only expect to make estimated tax payments if you are profitable so if your business is not yet profitable you won't owe any taxes you may not have to put anything aside but it is a good idea too because you could have a good good year and then you're prepared you know versus not being prepared um to make it easier for you we suggest setting up a separate bank account that holds only the money saved for tax purposes uh you would just contact your bank open a new business savings account

and then move the 15 to 30 percent of your of your profit each week or a month or whichever interval you like um and then don't touch it leave it there you know this is something that you would want to keep there um some banks will also help you create a rule that automatically moves the percentage in your savings account there's a lot of ways you could do it um or you could manually transfer it so I mean that's just so that you can make it automated and have enough but if by chance you um pay into too much of the estimated

tax or pay into taxes once you file you'll get that money back in a refund and I know you said 15 to 30 percent do you generally recommend people kind of save that maximum thirty percent like what situation would you where would you lean towards more than 15. so if you've gotten through if you're a new business okay so if you're just starting just starting 2022 and you're trying to see where you're going if you've been in business six months and you've been looking over your books and

you can see that uh your profit is uh decent amount maybe 30 to 50 000 I would say yes take 30 of whatever the profits are and put it up um because you can expect you're definitely especially if you're a sole proprietor or a partnership you can expect to pay uh that self-employment tax which is at least 15.

3 and then depending on uh what your personal tax situation is your tax can be between 10 and 37 so um you know generally speaking we want to like not take too much um if you know that you have other income that you know you might make over a hundred thousand a year you may make uh 300 000 a year or things that are in the higher tax bracket then of course you will want to do more than 30 percent because you need to do a 15.

3 plus whatever your uh ordinary income would be but as a general rule middle of the road then something you suggests would be 30 um yes great so question number three uh and this is a question that we get a lot from new business owners our quarterly estimated tax is mandatory for my business so they become mandatory um once your income reaches a certain threshold so quarterly taxes become mandatory for sole proprietorships Partnerships and S corporations once you anticipate owing at least one thousand dollars in taxes

um for the year and that's for the prior year so if you're a sole proprietorship you're going to follow on a schedule CE if you're a partnership you'll file the 1065 then receive a K-1 for your portion of the uh profit or if you're a S Corporation you'll also get a K1 for your portion of the profit all of those um entities are considered flow through entities and so they'll flow through and be taxed at your personal tax rate um if personally when you file your tax return you owe more than a thousand

dollars in a prior year so we're getting ready to go into 2022 filing um if you owe more than a thousand dollars in 2021 then you're expected to make a quarterly tax payments for 2022. okay um if you're a C corporation um generally that starts at 500 so in 2021 if you owe 500 then you can expect to um pay estimated tax as a C corporation okay um now generally we advise um in what we call the Safe Harbor method which is just simply taking what you owe 90 to 100 of what you owed in the prior year and paying that over four

quarters which you just divide the number by four and so those General due dates um become April 15th June 15th September 15th and then January 15th of the following year okay um that's the general rule on how you make estimated tax payments if you uh meet that qualification now there are times when people um want to make estimated tax payments when but there are no requirements to so because you want to make sure that you you don't want that lump sum of payment at the end of the year you know at the beginning of the year for the

prior year so that's possible as well so that comes with estimating you know and and taking a look at your books at least quarterly to see how much your property is and then doing that 30 that's optional but it is something that you can do you know um to stay up on your tax requirement okay um as far as paying it should you just pay it throughout the year or just wait make one payment um I'm gonna always say it's best to pay court however you know for new businesses and for people who aren't

used to making estimated tax payments or if you didn't know um if you didn't don't worry about it um just make sure you make the payment as soon as you can so if you missed that uh first April 15th just go ahead and make a double payment in June or if you miss two quarters go ahead and pay all of it in September um you want to at least make sure you pay by that January 15th deadline um they do have um the right the IRS has the right and your state if you have estimated requirement for that they do have a

right to um give you a late filing penalty I mean in some cases they don't but um as long as you're making the effort um to um that will be our suggestion okay and typically um if you want to know the amounts um it starts at point five percent of of a penalty uh of based on the amount that you owe um and it's capped off at 25 percent so one question from Ravi that I think you can answer is do you need to file federal tax returns if your company's Revenue in the last year is absolutely zero What's the threshold

to make estimated tax payments so it would depend on your total tax situation so if if your only income and you are a sole proprietorship partnership with a K1 as Corporation with a K1 and if your only income is that uh zero dollar business then no you won't now if you have other income W-2 income real estate Investments uh cryptocurrency other type Investments capital gain if you have those type of things and that generates a uh amount due a balance due for that prior year then yes you will still be required for it as to make the estimated

tax payment and a question from Patrick um Patrick says when you mentioned sole proprietorship and Partnerships in your discussion does a single member LLC have other considerations that are different uh no uh in general no um single member llc's default as uh being attacked the sole proprietorships unless you elect to be taxed as an S corporation so we will be discussing that later on uh in a little while as corporations and when it's right to do it but um generally um you can either if you're a single

member LLC or LLC that just has one person on it um you would be defaulted in tax um just like a sole proprietorship would um unless you take that extra step and then your taxes as Corporation you'll get that K1 yeah and one from uh David what's the penalty for not paying quarterly estimates uh so the penalty is uh 0.

5 and is capped at 25 percent for each partial or full month you don't pay the tax in full and then one more when does the first quarterly or annual payment become due is it the same year that you're registered or the year after so it's the year I'm assuming it would be the year after in this question because um that doesn't mean you don't have an estimated tax requirement if you're if you're a total tax situation um you owed a thousand dollars or more and you didn't have the business you

still have estimated tax payment requirements as a person personally um and then you go and have a business let's say you started your business in 2022 um but you owe two thousand dollars in 2021 you still have an estimated tax requirement to pay 90 to 100 of whatever you owed in a prior year it may not be the money from the business but you still have it now if you didn't have that then it would be that next year because that's when that registered with the IRS um that you have a balance for great and I'm just going to throw into

the chat we have a quarterly estimated taxes estimator that you can use to estimate what your quarterly uh tax payment would be so let's go to question four um should I switch to an S corporation and I'm wondering Kamia can you explain really quickly what an S corp is sure okay and you know one of our um people they were asking about this I think that's what they were alluding to but um an S corporation you know they're corporations or any state registered business such as an LLC that elect to

pass corporate income losses deductions and credits through to their shareholders for federal tax purposes and so that's the uh quote unquote sentence that um the IRS um races at shareholders against corporations report the flow through of income and losses on their personal tax returns and their assessed taxed at their individual income tax rate so that's what I was discussing earlier it's still a flow through it's almost the same thing as um you would be for instance as a single member LLC um but you wouldn't have that

self-employment tax so your tax stands to be lower depending on how much your profit is um it also allows to avoid double taxation um that's corporations are responsible for tax on certain built-in games and Paths of income at the entity level and so to qualify for s-corporation status you must be a domestic Corporation you can only um have allowable shareholders so they must be individuals certain trusts and Estates they cannot be Partnerships corporations or non-resident aliens um and you can't have any more than 100

shareholders um they must be U.S citizens they can only have one class of stock and certain corporations are ineligible so financial institutions insurance companies things like that they would not be qualified uh to be an S corporation they have to stay a c and so in order to become an S corporation you must have been formed 2553 um by the due date which is generally March 15th so let's dive into kind of the the thoughts behind and whether you should switch to an S corporation okay so we usually start suggesting you consider

switching to an S corporation once your net profit reaches 60 to 100 000 per year okay and we say that because um the the reason why people continue to be a single member llc's or um schedule C's and and sole proprietorship is because they are there is very easy to do and the cost surrounding it are slightly lower other than a self-employment tax because when you get to be uh as Corporation there's more corporate things that go on so you have to file a separate account that's costing money you have to uh enact certain things at

the corporate level um like recording your meetings and uh different things like that and so the savings if you aren't profiting more than a hundred thousand dollars a year uh is minimum and so it might not be worth it for you to go through all of that because one thing about it you have to um also think about taking a reasonable salary whereas if you're a single member LLC you don't and you can just take draws and it's a little more looser um and so those are the type of things we think about and then we also have uh several

questions we think about like what type of business do you have this is important because the type of a business you have will determine whether or not to qualify um profitability like I'm saying okay it can affect you know once your your income gets to a certain rate the uh qualified business uh deduction that they give you now uh reasonable salary considerations uh we want to know what your business goals are you know because if you're the type of business that may need Angel Investors or if you need more

than 100 investors you know I'm qualify you know and sometimes people um will inadvertently um make the IRS stop them from being a S Corporation and then a C corporation because of that you know you no longer qualify okay and so um if you want Simplicity elect structure you might want to just continue to just be a LLC if your profit isn't there um um and so you also want to talk about uh you know your Social Security wages you know because you do have to take a reasonable salary and so if your Social Security wage based which for 2021 was

142 800 um the qbi deduction again comes into mind uh retirement comes into mind you know your spouse and what they have you know uh comes into mind sometimes so those are the type of things that um we talk about you know and advice on yeah um and so let's go ahead and continue with the pros and cons since um I've talked about a couple of things previously so the pros that having an S corporation um is the shareholder protection so as is the case with any Corporation the S corporation Shields as shareholders from

the debts so um if you have to shut the business down and the business takes on debt and you can't pay them back the shareholders aren't going to be responsible for that so that's one pro um and the main uh Pro would be the tax free I want to say self-employment tax-free distributions and so um you know as corporations are taxed on a profit it flows through to your personal return and only tax at the ordinary right versus uh if your partnership or sole proprietorship you're taxed with that 15.3 percent so you save the 15.3

self-employment tax on the distributions that you're taking out um you know essentially uh that that's really the savings and so people um do a lot of variations on that you know but you do want to make sure if you're taking distributions that you're taking a salary first okay um the cons uh would be generally taxable built-in games meaning that if the business this Corporation has assets um and it distributes and shareholders let's just say you float you shut down the business those assets have to be

distributed and then there's a chance that you have built-in games that the shareholders will have to pay so that's one big uh kind but you can uh deviate that you know you can plan for things like that um and so sometimes due to the past and Taxation um people that uh profit more sometimes it might be better to be a C corporation because of pass-through uh right now um the administration's C corporation taxes only 21 well your ordinary tax rate is higher than 21 percent because we you know personally

go up to 37 percent of you know personally you may pay more taxes um as an S corporation versus being a c privilege so that's something to think about and to review as well and then if you're a business that's just starting out um sometimes the salary requirements may be hard to meet for companies that may be struggling so maybe you can't afford to pay yourself a salary what do you do then well um you can just choose not to pay yourself at all you know which means you might have to take uh on another job or

I don't know do whatever you need to do but it just doesn't give you that freedom to take a draw as it would when you have a schedule okay yep um so that takes us through to do I have to pay myself for your payroll and so you should yes that's one requirement again let me just say this you don't have to pay pay yourself uh if you're not planning on taking any personal money out of the building but once you take that leap and decide to take distributions you should take a reasonable salary because what happens

is if um the IRS sees that distribution and doesn't see a salary then there's a chance that they can re-categorize those distributions as wages and then you'll end up being in a tax deficit and on taxes so um our suggestion is to you know plan for these type of things uh sometimes people decide to um do different roles such as okay if I have profit at the end of the year 50 000 I'll do the 50 50 rule I take twenty five thousand dollars as a wage I'll take twenty five thousand dollars of distribution or I'll do 60 40 where I'll

pay my cell uh thirty thousand dollars in the way and twenty thousand dollars in distribution and so uh you can do it many different ways as long as the salary does not um it's not lower than the distribution you're basically safer okay and so how you um determine what the reasonable salary is basically what happens with that um is that um you you take and you you think about who you would like to hire and and what you would pay someone off the street to do the same um actionable things that you do in your

business so if you're actively providing Services uh more than minor services to your business that's what you would start at okay I'm a CEO for my business I'm an administrator for my business I do payroll I do uh administrative work I do uh the actual work like if you're in construction I do have to construct it like how much would I pay someone off the street to do the work that I do um and so that's where you start and if your business can afford it um that's where you um could start there now they have some

companies called you know there's like RC reporting some other ones that you can do these studies that can tell you you know what are reasonable you can also go to like the Department of Labor and look up the statistics that show um how much people make in your area and so you can use that as a uh guideline to paying people or paying yourself um but for one your business needs to be able to afford it first of all so of course if you not making 60 000 a year but your business you know the person that's doing the same work for you make

sixty thousand a year you would pay that you would kinda think about well maybe I'll just pay myself 30 because this is what I can afford so it definitely depends on profit and service Okay and like I'll do it to before distributions are simply just you taking money out of the business um as a distribution is you know it's assumed that this money is sitting near the bank available if it if you haven't touched it and you know it's typically profit mixed with whatever Equity whatever money you have put into the

business I mean so it's sitting there in your Equity account your shareholders um Equity account and so if you have that money available or if it's in your bank account you can take those distributions um and they'll be tax-free they don't have to be in your salary you know you don't have to push it through payroll it you can do it through ACH or some other type of way a check um and so those distributions are you know every time it happens against your Equity account and so the only thing

with that is you want to make sure that your Equity account has enough uh to cover those because once you get to a deficit uh what happens is um those distributions may become taxable so as long as you have enough equity which you should typically people do you know if you're turning over a profit every year and you put some money into the bank you're you may have a pretty healthy um you know shareholders equity and you should be able to be able to you know take that money out because assume that that money sits there you know kind of

like in retained for to the business so hopefully I've explained that correctly um if you have any questions on tune in the chat if I could see a couple so um one from Eileen uh she says to clarify you mentioned if you're netting between 60 and 100 000 uh per year then it's worth considering an s-core election is that true well what what I mean by that is I mean first of all it's up to you and it depends on all the factors overall but generally okay if you have a sixty thousand dollar profit and

you're doing projections um and you see okay in 2021 you know my profit was sixty thousand dollars okay in 2022 I expect or I'm on pacing to double that or almost double that now I'm at a hundred thousand for this year then yes you should consider that because in general um and this is the general number um but in general every hundred thousand dollars you could stand the same around five thousand dollars in self-employment tax and so um that that's kind of like the Baseline because you want to take it to a

consideration that you'll have another tax return especially if you're a social partnership and only then filing your return with your personal return that tax return might cost you between a thousand and twenty five hundred well that cuts down um your your savings you know and so sixty thousand dollars you know is a baseline when you're coming up to the trajectory now there are times when people may save more you know at a lower amount I'm not saying that um there are times when people want to

be an S corporation when your profit is at a lower amount but we based mine here like the start that's you know really at a hundred thousand but between 60 and 100 000 is when we start considering it yeah great so a question from Tom he says as an S corporation um and paying the owner as a W-2 employee can the owner distribute ebit as a dividend uh generally earnings for income and tax is a C corporation term so you won't really see that um in your in your um books generally um you know uh best Corporation

distributions aren't they're non-dividends you know so it's not really considerable now you certainly can you know do that um but you know it's kind of a different type of thing yeah and it wouldn't be reported on uw2 at all there we go so I think we'll move on to question number five which is one that we uh get from a lot of people who are running their business or their office from their place of residence so how do you qualify for the home office deduction so come here how does that work yeah so

this is something that's very um common as well and so taxpayers generally must exclusively and regularly use part of their home or a separate structure on your property as the primary place of business to qualify okay and so just to let you know the term home for purposes of the deduction it includes our house apartment condominium mobile home boats similar types of things okay and it also can include any separate structure such as like an unattached garage Studio Barn you know things like that Greenhouse okay and so there are two

basic requirements for the taxpayer home to qualify as adjustment okay generally meals to be an exclusive use of a portion of the home for conducting business on a regular basis so um generally it's an extra room it could be a den but it has to be exclusively used it could be a bedroom but it has to be exclusive to you so you can't have like your children uh in there or um your spouse or some other person that's doing that for some other purpose or you have to break down that that room um that you're using and separate the

area that you're using for business um so if you have a have a den and you have like couches and things like that in their TV and then you have where you do your work that area of where your your uh particular um desk is that's where that's the area that you would choose okay um it should be generally your principal place of business however in certain cases um you can have another place of business and um use your home office and receive it if you're doing administrative duties okay um and so how much can you deduct

um there are two methods first it's the simplified option so that's generally five dollars per square foot for business use of the home um up to 300 square feet so generally that's gonna admit you fifteen hundred dollars uh deduction across the board so this way you don't have to you know count up receipts add up all your expenses at home things like that it's just a blanket fifteen hundred dollars if you have 300 square feet in your home that you use for business um so and in general you have to have a

profit so if you're already at a loss for your business if you're a Schedule C uh business um if you're already at a loss you won't ex you won't see that savings for the home office um it will be carried over to Future years um if you're already out of loss and so then they also have the regular method so when using a regular method deductions for a home office are based on the percentage of use devoted to business use so it could still be the 300 square feet or it could be more depending on what the square footage is

um okay and so you would need to figure out that ratio and then you would need to figure out what the direct expenses that um your uh business uses at home for that and what the indirect expenses are and so you know generally indirect expenses would be everything related to the home related to operating the business um office so your mortgage interest your property taxes your Light Gas and uh water in certain cases uh you know different things like that now if you had to go in and do some changes to the particular role and it's directly

related to it then that would be direct if you have a separate telephone line that you have in your home that no one else uses and is dedicated to your business then that's a direct expense and you can claim that if you have a second I and I'm not even sure if this is possible but sometimes people may you know run a line for the internet separately um if if you can somehow do that then something like that would be direct as well okay so a question that that we get often is uh does this apply for people who don't

own their homes so can renters apply for this deduction as well yes winners can so it would be again the ratio that you pay a rent so you would add up how much you pay in rent per month um and based on the ratio that you um use for business you can write off that ratio that would be considered indirect expense great um once a question from Danielle can you rent your home office through your business with a lease even if you are renting um that's kind of like a conflict of interest when you were um sole proprietor now if you're a S

corporation which we didn't go over this but if you're an S corporation um home offices are treated differently at uh or or C corporation as well um if your S corporation or a C corporation um and you're using your home office uh for business and so you know as corporations if you are uh two percent or more shareholder and and or shareholder business owner um and you need to figure out how you're going to do your home office expenses that's usually done via an accountable plan okay so you have to create a plan a

document that writes down how you can how much you can be reimbursed personally from your business so um you can use the same um type of calculations meaning the percentage of use and how much your you know expenses are but you just write down how much that total would be every month and so that's where Lisa is coming to consideration um where your business your S corporation business is renting that portion uh from you personally so uh that's where something like that will come or if you're a secret relation

as well now if your partnership um it's generally um either going to be a reimbursement pursuant to the operating agreement um so that all Partners can agree on what's going to happen here or you can claim um any home office attention you have on the schedule E when you file your personal return um but it's the same rules still apply you know with as far as documenting and how much you can expect to pay or get paid yeah so um those are the the five questions that we came prepared with today and I have

noticed there's a lot of questions in the chat that we haven't gotten to yet um so I'm I wanted to give you all a way to get those questions answered and I wanted to just share with the group um how you can get some more tax support from bench so um in addition to our bookkeeping and tax prep Services bench offers income tax filing and tax advisory support it's unlimited tax advisory support so you can call kamiya on the phone and ask her questions anytime when you're a bench client um we provide you with a whole team of

tax experts who work with your bookkeeper to get you filed ahead of deadlines and our tax advisors are on hand year round so you can reach out to them at any time of year not just tax season these calls can last anywhere from 30 to 60 minutes per session um and our tax advisors will familiarize themselves with your finances finances excuse me answer any questions that you have and offer valuable advice tailored specifically to your business so it's not just general answers it's very personalized and they'll also educate

you on methods to reduce your future income taxes so it's really beneficial to have a professional provide you with some guidance here in the meantime though if you're not ready to sign up with bench or you just have one quick question here's how to get it answered so if you click through on this link which I'm going to put into the chat right now you could submit a question to our accounting experts and they will answer it for you for free you can also scan the QR code which is on the slide here or check your email we

will be sending this link out via email as well after the webinar um so this is a great way to give our services a test run before deciding if you want to have a full-time Tax Advisor and your support team um our team will get back to you within three business days so an accounting expert will review and answer your question within three business days um and definitely click on the link in the chat to to submit your question that way so for anyone that we didn't get to uh you can you can reach out there so I wanted to say thank you to everyone

for joining us today we really appreciate your attendance and engagement in the chat some really great questions and uh some really great feedback from everybody um keep an eye out we will be sending the recording in the free ebook to your inbox so you will get that and we really hope to see you again at a future bench webinar and hope that you enjoy the rest of the events This Global entrepreneurship week um thank you all so much for your time today hey Carol thank you

1. Bench: Your Small Business Financial Solution - YouTube

**URL**

<https://www.youtube.com/watch?v=d-wWWqHlXYg>

**Views and time:**

19K views/3 years = 528VPM

**Keywords:**

No keywords

**Transcript**at bench we know tracking your finances while running your small business isn't easy we do your bookkeeping for you so you don't have to you'll have a whole team dedicated to helping you take control of your finances you get a bookkeeper tax advisor tax preparer and small business experts all at a price point that works for your business with bench there's zero learning curve our easy to use platform gives you quick access to powerful financial reporting so you can get a clear picture of what's

going on in your business you'll get an up-to-date view of your financials and at the end of the month your bookkeeper will do a final review to ensure all your books are tax ready with your busy schedule we go where you go when you want to reach out to your bench team it's easy to connect we can answer any questions about small business finances resources tax deductions even payroll requirements bench your small business financial solution

1. Paycheck Protection Program Q&A - YouTube

**URL**

<https://www.youtube.com/watch?v=4M1PZZIBSa8>

**Views and time:**

265 views 4 years = 6VPM

**Keywords:**

No keywords

**Transcript:**

okay great I think there should be and we can certainly follow you follow up on email and just making sure that this this deck is sent around to everyone but I will confirm that I think there shouldn't be a problem with that at all oh and here's a question for you health care premiums health care premiums or other benefits do they have to be paid throughout the 2019 12-week period so I assume that this is for seasonal employees did you know they don't have to be paid out consistently we'll just

look at any any any any payments you've made we can factor that would factor into that right right right so anything that's made over that time frame gets factored into total which is then divided by twelve yeah okay next question from Freddie can I get a loan to pay freelancers and could the money I use to pay them be a hundred percent forgiven and they were on my team in 2019 and are in 2020 and so this I think falls into the contractor question is that right Owen yeah that's a good question I hesitate

to say that they would be able to be included in payroll the I I think if they're being paid as it is a 1099 I would assume that they could be and typically definitely if they were sort of regular members of the team Freddie and yeah that would certainly be the way I'd be looking at this I think of course we can we can definitely look into this and send you an email just and just to make sure we're certain on that next question what about payroll for overseas workers Owens what is one right so payroll for workers that aren't in the

US are excluded from the calculation unfortunately international workers would not count right so only u.s. resident and employees yes okay next one here when calculating prior payroll costs does it include employer matched 401k contributions and/or insurance so broad a benefit so I think and I think those sorts of things are included in payroll costs rights broader package and I've heard that I believe there is also some kind of deferment Kroger on the separate deferment program available so you don't

have to pay that I shall part until like 2021 okay gotcha and and then while we're on the subject of deferment the loan itself so let's say that you take out a PPP loan and you unfortunately have to layoff a couple of people which means that the whole loan is not forgiven then you need to pay that back you've got obviously got a two year and two year window to do that do you have to start making those repayment straight away not at all in fact they do give you an automatic six months deferment so you have six months before

you have to start making payments okay but the half percent no it's not a huge amount but the half percent interest that's gonna be still accruing over there six months there right yes I believe so although I am I believe that SBA may defer that as well we have a question here about mortgages and from Daniel are the other payments eligible for mortgages held by the business or can they and they also be eligible for held by mortgages held by the business owner these are for business kind of mortgages if you are of like a self-employed

individual and you have a personal mortgage in your name and you meet you may be able to deduct a portion of that mortgage payment if you have like a home office so that would be in proportion to the size of your home office to the size of your entire home right so I actually saw that this question earlier today from from a client of benched in there and the exact same question that yeah and the answer is it if you've got a home office that is that's a 10% of of your home and you can deduct that typically from your and from

your mortgage interest or whatever and that's that is also eligible here like same proportion I probably said that in an incredibly in eloquent way but just repeat about you would say next question there's interest debt obligations in crew include credit card interests oh that is a good question I believe I think it was any prior debt obligations would qualify I think that's that sounds to me as if it's a we'll get back to an email yeah yeah is that fair enough that's I'm not settling you're

not selling on that one great question though thank you very much for asking it and next one from from Sarah if we applied for disaster and for the disaster loan program but I haven't accepted any terms are we still eligible for this loan absolutely yeah yep yes - yeah you saw a separate programs and yeah you don't yeah you don't have to accept the Idol alone at all if you will yeah for example if you if you hear back and it's offered and you don't take it then no problem I think it's worth stressing

again that there's absolutely nothing wrong and applying for both of these programs in fact we're telling a lot of bench clients you might as well apply for both if you can use them for different things and also with the economic injury disaster loan there's this there's this emergency grant portion of the loan this sort of up front up to ten thousand dollars that will be given to you within three days and and if you can get that whilst you're still getting your application together if you're PPP then we can

simply certainly and recommend doing that yeah yeah data emergency grant is a big one even if you don't if you even if you apply for the idle loan and you don't get accepted you don't have to repay that 10 up to $10,000 grant so it's definitely worth checking the they've streamlined the process I won't go into too much detail because this is the PPP kind of webinar but I would I would use this opportunity again just to plug our amazing blog and bench Docs you know /blog there is a ton of stuff about the

different programs including that 10k a or up to 10k and emergency grant there next question to another five times payroll is the maximum loan amount but can we use that money for payroll and rent payments correct yeah exactly right so and payroll cost is a broad term JT it incorporates a whole bunch of different benefits and things included in with payroll and then there's also an amount that you can use for rent payments utilities mortgage interest I would stress at this point that looking at the application of form you don't

want to be spending more than 25% of your loan on things like that you want to keep the bulk of it through for payroll oh and I don't know if you mentioned this already I think I don't think you did but what was the point about creating a separate bank account for this loan right yes so a great tip that one of our some one of our colleagues at bench came up with us to create additional bank account to store that kind of loan you you receive so that way you can keep track of exactly where that money is getting spent it's a better

documentation that way yeah at this point I would just stress when you're and when you're applying to get this loan forgiven it is going to be imperative that you have rock-solid and documentation and record-keeping showing exactly where you spend this loan on all your different payroll costs or your different mortgage interest payments etc over that eight-week period and and to make that a lot easier is this idea of creating a different bank account for this loan so you can see exactly where everything went and there's no crossover

having to sort through transactions so it's a fantastic idea and the other thing that I'll just mention on the subject is forgiveness while it pops into my head is that this is something that the applicant needs to proactively go and do so if you get to the end of the eight-week period of you're alone and and you've you've stuck to the rules you've kept everybody on you've only used that money for what it's intended and you want to get that whole loan forgiven you need to contact your bank

and start that process yourself it's not gonna it's not gonna be an automatic thing um question from Stacey here and can you still collect unemployment while applying for this and obtaining financing only yeah that's a really good question because the PPP allows you to kind of move you let you to go to recover your original kind of pay rate you would not be able to qualify for unemployment any more so I would suggest kind of taking a look at both programs and seeing which one would work better for you on your kind of situation Thanks

and then Christopher's asked and as I understand and I can use these funds to repay a debt obligation now I mean you probably and clear this up but is my take on this as it depends what the debt obligation is yeah so the the bills specifically says it's the interest on any debt obligations out of her that incurred before this kind of pandemic so February 15th I believe is kind of our cutoff date there and it's not pretty broad or is that only to it to mortgage interest mortgage interest and there's

also another extra provision for interest on any other debt obligations great great so yeah and just the caveat is the interest yeah here's a question from Sarah that is the internet considered a utility and I believe that your broadband expenses if it's part of the business will be considered a utility bill for sure I'm not sure how that corresponds society or a specific situation whether or not is to do with the fact that you know working from home or whatever I difficult to give a and the precise

answer there but if you do want to talk it through someone I suggest just giving giving some one of our our team here a call I'm so you can just call the bench number and we can talk it through can I pay 1099 contractors with this loan are they accounted for in payroll or only traditional w2 employees and this has come a couple of times om but I think that you can kind of again correct / confirm me is there as long as they are and kind of regular and regular contractor you pay in the in the normal line of work not just kind of one offs

then and then they count yeah generally that is the kind of thinking we're going with right now yeah and I think you can probably tell in Owens voice there that this is a ever-changing landscape and the guidance from the SBA and the Treasury does change fairly often and you know as I've said we will constantly do our best to make sure that we are giving the most up-to-date information whenever it whenever it comes out let me jump in there yep that w2 definitely is that that counts for sure great thanks it's get to kill it up and

question here from Michelle as as a home-based elementary education franchisee what if I get the loan and the schools and camps don't come back for the summer in other words what if I can't rehire staff because Co vid is still causing quarantine and sorry I'm what I was you drink I don't have any initial thoughts on this one that's that's that's a good question the the payroll the lowness of meant to cover your payroll so you you in theory you should be able to take that load and pay your rehiring the employees and pay

them even if there's actually no real work being done and then you could kind of decrease that by opportunity 25% if needed but then I suppose obviously the question that's kind of underlying there is is what is it's the matter than then what's going to happen in the future and and unfortunately you know if and if you go into the summer and things are still the same and you know I hate and you have to lay people off or kind of hide them back then I'm sure that we're gonna be in a in a different situation but um

yeah just I hope to know difficult to know with a lot of uncertainty obviously I mean this is a kind of very evolving situation this is a huge amount of funding kind of three hundred fifty billion almost three 250 billion allocated to this program alone so there's a lot of support coming and hopefully more to come if necessary yeah we know we understand like American small businesses are the backbone absolutely of the economy so getting as much funding as we can and then much support too so all this as possible it

should be the kind of number one priority here next question and does a certain portion have to be used for payroll versus rent and other expenses yeah so we talked a little bit about that earlier of the UM of the loan seventy-five percent of that should be used for payroll and associated costs and then you have a sort of 25 percent and buffer that you can use for these other expenses like rent and mortgage interest payments here's a question parents do you have to have submitted your 2019 tax return Owen it is a very

good idea to have that if you've not filed them yet preparing it so you're ready to file or as I'm still filling it out but kind of as much as you can it's a really good idea if you haven't Paris I think if you as long as you have an up-to-date financials and you can show a balance sheet and income statement where you can show a lot of these the financial information that's going to be required is going to be crucial here so you know not a game changer if you haven't filed your taxes

but you certainly do need to evacuate accurate financials where you can show and you can prove how much money you need questions Brian Murray what about small businesses such as hair and nail salons that were forced to shut down as they're considered non-essential during the whole period there is no payroll paid to employees does that mean that these type of businesses don't qualify my understanding is they certainly do qualify is that right yeah they absolutely do qualify the payroll because the program kind of isn't

retroactive back to February 15th so if you laid off employees kind of during this time February 15th to now it's okay you're okay to kind of rehire them back per se and provide that original pay income precisely so even if they even if they can't come into into the into the salon and do their job the idea behind this is that you can rehire them and put them back on payroll with this loan money and that's what it's for and then I can obviously go count towards the forgiveness of that loan

will this presentation or replay the emailed and again I will and make sure that this deck is emailed around to everyone and it should all be recorded as well and so thanks very much for that question and so if a sole prop and you said it's from Elizabeth and if your sole probably had income but took losses due to expenses will you qualify for a PPP loan Helen so Ann lots of what I'm understanding yeah that let's but took income through drawers or whatever things like that ah that's a good question we probably need to do a

bit more digging on that but I believe whatever net profit whatever profit oh that's true yeah yeah yeah Elizabeth we are gonna need to check what the situation for these ones for this scenario we will come back to you via email next question is from Jessica I think asking what's the situations for for s and C corpse and these are all eligible under this under this program is that right Owen absolutely yeah great and then Eric is kind of followed up to earlier so if I'm a sole proper 9 and 120 I assume that means 120 thousand per

year and I can only calculate and as to that eight three three three point three three and monthly figures that's the amount that's that's caps equal to the 100k is that right Evan yeah absolutely so a hundred thousand dollars and it'll be kind of prorated monthly for that for the following months for that forgiveness yeah so unfortunately this program was only going to cover up to the 100k if you're only if you're earning above that and on the application should the average monthly payroll include your rent and utilities

etc or just the actual payroll and so here and I think it's I think it's the payroll plus the other associated costs like things like benefits and insurance all that sort of stuff and a rent and utilities part is captured in the fact that it's two and a half times not just two months two times is that right exactly yeah yeah and so just to confirm that Pattie in this in that average monthly payroll don't include things like your rent on utilities they will be captured it's because your timesing it

by two and a half and then JT asks does the two and a half times include all payroll expenses including payroll taxes oh yes it does yes it does fantastic question here from Charlotte if you are a sole proprietor small business do you put the employees payroll amount plus the net profit in the payroll column oh and I believe you're just putting the net profit line here is that right I believe you do factor in any employees you have on your payroll okay um question here from guy if we were in business in 2019 do we use the

12 months of 2019 for the average or do you use the last twelve months or eight Pro 2019 to March 20 2010 sorry it's the beginning here sorry if if um guys business was in business for 2019 does he use the full year 2019 for the average monthly payroll or does he use the last twelve months so from April 19 to March 2020 the right now the guidance is all of 2019 so January 3 19 to December January 2019 for your payroll rate calculator and a question here from question from Lawrence for payroll calculation on page 1 should we use

today's numbers or feb 2011 ploy err you should be using the Feb to do in 2019 numbers as is that's the guidance is that right and yes for a seasonal employer I also when you talked here to the lender let them know about that yeah Tom asked the question that's come up a fair bit here which is if I'm a single member LLC with no employees how do I prove payroll if I only do member draws Owen that's a good question member draws I'm not sure with those counters as I understand member drawers do not count

as payroll and it's just assessed off the net income line and there we go okay but that's how you know again these these situations change all the time and Tom with this one I'm more than happy to follow up on email make sure that is answered with a higher degree of certainty and Paul's question can rent be prepaid for future months and be forgiven provided it falls within the 25% and you know that one gonna rent be prepaid that's a good question in the spirit of the bill it is to cover any

any rent that is kind of being paid off currently any current rent I like a recurring cost yeah I don't think you could I don't I'm not sure and I'm not too sure actually Paul it's safe to say this is certainly a gray area and there's been no guidance that we've seen again I'm gonna I'm gonna mark that as a and if we have any information that we find on this we can certainly and send it to you in an email okay Eric has asked just to confirm how does it works to solve prop one man operation I just

have to he asks I just have to retain myself and I assume here Eric you're talking about the the forgiveness part of the loan and yes I mean in theory are exactly right as long as you don't reduce the amount you you pay yourself or anything like that in theory the the amount you are given as long as you're using it and you can show all the ways that you are spending this money that it falls into all the other things like mortgage interest payments and all that sort of stuff in theory the the amount that you qualify for should

be forgivable is that right I mean that sounds about right yeah yeah and this is an interesting question next hear from Lawrence that we've thought about as well is that what if an employee leaves on their own and we don't replace them so if somebody quits or has to move home whatever as part of this and everything that's going on they're not laid off does that affect the forgiveness of the loan oh and do you have any sort of concrete answers on this one also a bit of a kind of a gray area any I will know

that because we don't have any guidance on forgiveness yet we're still waiting on the SBA notary to kind of confirm that they've given they've been given I think like 30 days to really confirm that for us but as far as we know as long as you hire anyone back and you maintain that headcount you are okay yeah I think the kind of the gut feeling on this Lawrence it based on the kind of on the spirit of the bill is that really they're trying to keep people in jobs or or get people that been laid off back

into work and assuming that there are plenty of people out there that are that are looking for work my initial thoughts here would be safe to say that you might to be certain I would feel that I would backfill that position and make sure that you hire someone but obviously as as more guidance comes out from the SBA will obviously be updating all our information that's on the blog and everything that we send out and to clients and the rest of our sort of audience so we'll keep updating that as we get more information question here

from Carrie if a business is a partnership with the net income on the tax return plus independent contract payments be used to average for the payroll costs that one unless I shot through it too quickly not 2/3 under that again and carry will I've had a couple of messages over the course of this that it's kind of they've been questioning the eligibility of 1099 and contracts and whether or not they have to claim separately under this program so it's safe to say that this is a bit of a gray area certainly have to

the net income line is what you what you're looking at I think we do certainly need more clarification on the on the independent contractor part so again I'm gonna and make sure that we follow up with you on this question from patty so you cannot apply for both the Paycheck protection and economic in the disaster loan if not which is better and patty you can apply for both you can certainly apply for both the key thing here is that you cannot use them for the same thing if payroll was the one thing that you're most worried about worried

about a cost that you meet you that you need to meet I would certainly recommend looking at the PPP as the economic injury disaster loan is not forgivable so looking at the two I would certainly go for the PPP however you can apply for both as long as you're using them for different things um Owen here's a question for you any quite any issues with an S corp where the only employee is the owner applying if no issue when is the application date for someone in this scenario I don't believe there are

any issues with an S corp and the application is scheduled to be open or they're basically as they're allowing lenders to start applications starting tomorrow tomorrow at yes but of course there may be delays depending on the individual lender as they kind of figuring out the fine details and logistics yet so it's I think you're good to go and in theory you can you can start applying for this loan tomorrow I would check with your check with your bank diskens confirmed that they're a lender and they'd be good

to go tomorrow yeah we do have a service set up no I'm Oscar with a thundera yes so and that is again it's an incredibly fast moving and fast moving landscape but bench of of recently and signed a partnership with fund era that a are a sort of a lending platform that help people apply for all different kinds of SBA loans and yes you can if you get in touch with bench we can certainly introduce you to fund arrow who can help you with your PPP application there's a couple more questions about member

drawers which say if to say we haven't been able to give a 100% and answer on so I will certainly put them into the category of an email response could I repeat my remark about restaurants from from Christopher not sure exactly and what remark you were meaning here however and if it's down to if it's talking about the size and then it's the 500 person and cut off to be thought of as a small business and eligible for this is only per location um when did you say anything else about restaurants

I think I mentioned that an example about kind of that reduction in the pay in salary so like if you're a restaurant and you're not people aren't as you're not bringing in as much income it's okay to kind of reduce that a pay cost that payroll costs by up to 25 percent right just see you that buffer yeah right right right so it's a yeah so it's and you've got up and you can you can reduce salaries up to that 25 percent point completely unnecessary add from me there guys question here if my company paid out

contractor job similar to employees and do we count their contract payments like payroll expenses died my initial thought here was that yes they fall under the payroll costs however I've I've received a couple of messages from people who disagree with me so it's safe to say that we need some clarification on this one so we will and we will follow up with that and I will just point out that we have had a ton of questions I think we're gonna go another five minutes just going through this and we've had a few

people drop off the webinar already obviously where we're up to the hour point now and anyone that we don't get to of course we will come back to an email but I will um we'll keep plugging away for the next the next five minutes JT I need to complete this application and take it to my local bank question mark that's exactly right your bank provided they are an SBA approved lender and they will be the ones processing this loan so you need to apply through them they may ask for any other additional documentation to

support the application things like nine forty ones or proof of your financials that kind of support the the numbers that you're putting down so but yes you're going to go through to your bank Owen this is another question regarding I need to find my 2019 taxes first determine is my net income correct and I'm sorry it was correct question mark and as a sole prop so Owen as so prop does the 2019 taxes have to be filed in order to apply no no not necessarily I don't I haven't seen anything concrete

rule say that it must be filed but because we're looking at that number from year 2019 the net profit it is it should be filed soon I'd say yeah so so Eric doesn't necessarily have to be filed but you do need to have your financials done for the year so you should be able to see on your income statement and the net income line and for the full yeah you definitely need to have that and completed and we are some pretty this loan three okay you there are some visions in that form that application for we went to where you'll

need to attest that you your filings will be accurate JT asks are there other loans included in this relief law that can also be forgiven or not take a quick stab and you can fill any other any other bits of information there's only one thing I can think of that that can be forgiven and that is the emergency loan portion of the economic injury disaster loan which is during the application process if you request it you can be eligible for up to $10,000 as an emergency and almost forwarding of the loan and irrespective

of whether or not you receive or don't receive that economic injury disaster loan that 10k up to 10k is forgivable or it is forgiven you don't have to pay it back because that right forgiving you what I need to pay back at all I'm just something to add on that is it if you have received that emergency and disaster loan let's say let's call it ten thousand up to ten thousand and you also then get a PPP loan to cover your payroll and let's say the two of them are doing different things in it's

absolutely fine you've got both oh and I think I'm right in saying that that ten thousand that is the forgivable part of the Eid alone that is that comes off the amount that's forgiven in your PPP loan is that right that is if you refinance it right so if you had that if you had like you took out a twenty thousand dollar loan from the idle and then ten thousand of that was given to you in advance that $10,000 emergency grant you have you only have ten thousand dollars on that balance and you convert that

into the PPP so just be the $10,000 I would be illegible that previous $10,000 that you got as the grand you wouldn't be forgiven because it's already been forgiven essentially yep got it but you're gonna bail I'm very sorry what okay here's something from Jessica and what things are included in payroll calculations other than payroll let me just wind back here in the in the document so funding is meant to help retain workers maintained payroll government cover rent mortgage utility expenses but there are things so here

you can see here so everything from payroll to commission payments group health care payments there's other things let me just hop out of this presentation earlier I was always sent this very helpful um summary earlier from a partner of ours and included in the payroll calculation as you can see here so they'll just run through these payroll costs including payment of cash tips or equivalent cost relates to the group healthcare benefits allowance for dismissal or separation payment retirement benefit the payment

of retirement benefits employee salaries commissions or silicone summer compensation payment of state or local tax assess and the compensation of employees the sum of payment of any compensation to way or income of a sole proprietor of independent contractor there is a wage Commission income net earnings from self-employment that is less than a hundred thousand in one year so you can see that independent contractors are included as part of that just there and thanks Jessica and then we'll take one more question and there's

a CPA need to review my form before I send it in Owen a do not great that was pretty simple everyone thank you that all the people are still in the course thank you very much for joining and I appreciate this is a bit of a sort of a bit of a scrappy presentation that we have put together as quickly as possible to make sure that we get this information out there there's a lot of stuff that no one really knows the concrete answers to yet this we're still waiting a lot of guidance from the SVA and I would

certainly reiterate that a good step is to contact your your typical bank and just ensure that they are a lender under this program and have a look at that form get it from the Treasury website and just get everything you need and together in order to to apply and obviously if you have any requirements to get your financial as in order as part of this or you're worried about keeping your records and span so you can get the forgiveness of this loan guaranteed then definitely give us a call we'd be delighted to talk to you a

little bit more about this and obviously everyone whose questions didn't get answered I will and I will certainly make sure that we respond via email but thanks very much for joining an Owen thank you very much for all of your expert opinion right later take care everyone all righty thank you you

1. Paycheck Protection Program Q&A - YouTube

**URL**

<https://www.youtube.com/watch?v=4M1PZZIBSa8>

**Views and time:**

265 views/4 years =6VPM

**Keywords:**

No keywords

**Transcript:**

(00:05) okay great I think there should be and we can certainly follow you follow up on email and just making sure that this this deck is sent around to everyone but I will confirm that I think there shouldn't be a problem with that at all oh and here's a question for you health care premiums health care premiums or other benefits do they have to be paid throughout the 2019 12-week period so I assume that this is for seasonal employees did you know they don't have to be paid out consistently we'll just

(00:41) look at any any any any payments you've made we can factor that would factor into that right right right so anything that's made over that time frame gets factored into total which is then divided by twelve yeah okay next question from Freddie can I get a loan to pay freelancers and could the money I use to pay them be a hundred percent forgiven and they were on my team in 2019 and are in 2020 and so this I think falls into the contractor question is that right Owen yeah that's a good question I hesitate

(01:25) to say that they would be able to be included in payroll the I I think if they're being paid as it is a 1099 I would assume that they could be and typically definitely if they were sort of regular members of the team Freddie and yeah that would certainly be the way I'd be looking at this I think of course we can we can definitely look into this and send you an email just and just to make sure we're certain on that next question what about payroll for overseas workers Owens what is one right so payroll for workers that aren't in the

(02:07) US are excluded from the calculation unfortunately international workers would not count right so only u.s. resident and employees yes okay next one here when calculating prior payroll costs does it include employer matched 401k contributions and/or insurance so broad a benefit so I think and I think those sorts of things are included in payroll costs rights broader package and I've heard that I believe there is also some kind of deferment Kroger on the separate deferment program available so you don't

(02:54) have to pay that I shall part until like 2021 okay gotcha and and then while we're on the subject of deferment the loan itself so let's say that you take out a PPP loan and you unfortunately have to layoff a couple of people which means that the whole loan is not forgiven then you need to pay that back you've got obviously got a two year and two year window to do that do you have to start making those repayment straight away not at all in fact they do give you an automatic six months deferment so you have six months before

(03:32) you have to start making payments okay but the half percent no it's not a huge amount but the half percent interest that's gonna be still accruing over there six months there right yes I believe so although I am I believe that SBA may defer that as well we have a question here about mortgages and from Daniel are the other payments eligible for mortgages held by the business or can they and they also be eligible for held by mortgages held by the business owner these are for business kind of mortgages if you are of like a self-employed

(04:15) individual and you have a personal mortgage in your name and you meet you may be able to deduct a portion of that mortgage payment if you have like a home office so that would be in proportion to the size of your home office to the size of your entire home right so I actually saw that this question earlier today from from a client of benched in there and the exact same question that yeah and the answer is it if you've got a home office that is that's a 10% of of your home and you can deduct that typically from your and from

(04:49) your mortgage interest or whatever and that's that is also eligible here like same proportion I probably said that in an incredibly in eloquent way but just repeat about you would say next question there's interest debt obligations in crew include credit card interests oh that is a good question I believe I think it was any prior debt obligations would qualify I think that's that sounds to me as if it's a we'll get back to an email yeah yeah is that fair enough that's I'm not settling you're

(05:34) not selling on that one great question though thank you very much for asking it and next one from from Sarah if we applied for disaster and for the disaster loan program but I haven't accepted any terms are we still eligible for this loan absolutely yeah yep yes - yeah you saw a separate programs and yeah you don't yeah you don't have to accept the Idol alone at all if you will yeah for example if you if you hear back and it's offered and you don't take it then no problem I think it's worth stressing

(06:09) again that there's absolutely nothing wrong and applying for both of these programs in fact we're telling a lot of bench clients you might as well apply for both if you can use them for different things and also with the economic injury disaster loan there's this there's this emergency grant portion of the loan this sort of up front up to ten thousand dollars that will be given to you within three days and and if you can get that whilst you're still getting your application together if you're PPP then we can

(06:40) simply certainly and recommend doing that yeah yeah data emergency grant is a big one even if you don't if you even if you apply for the idle loan and you don't get accepted you don't have to repay that 10 up to $10,000 grant so it's definitely worth checking the they've streamlined the process I won't go into too much detail because this is the PPP kind of webinar but I would I would use this opportunity again just to plug our amazing blog and bench Docs you know /blog there is a ton of stuff about the

(07:15) different programs including that 10k a or up to 10k and emergency grant there next question to another five times payroll is the maximum loan amount but can we use that money for payroll and rent payments correct yeah exactly right so and payroll cost is a broad term JT it incorporates a whole bunch of different benefits and things included in with payroll and then there's also an amount that you can use for rent payments utilities mortgage interest I would stress at this point that looking at the application of form you don't

(07:50) want to be spending more than 25% of your loan on things like that you want to keep the bulk of it through for payroll oh and I don't know if you mentioned this already I think I don't think you did but what was the point about creating a separate bank account for this loan right yes so a great tip that one of our some one of our colleagues at bench came up with us to create additional bank account to store that kind of loan you you receive so that way you can keep track of exactly where that money is getting spent it's a better

(08:24) documentation that way yeah at this point I would just stress when you're and when you're applying to get this loan forgiven it is going to be imperative that you have rock-solid and documentation and record-keeping showing exactly where you spend this loan on all your different payroll costs or your different mortgage interest payments etc over that eight-week period and and to make that a lot easier is this idea of creating a different bank account for this loan so you can see exactly where everything went and there's no crossover

(08:58) having to sort through transactions so it's a fantastic idea and the other thing that I'll just mention on the subject is forgiveness while it pops into my head is that this is something that the applicant needs to proactively go and do so if you get to the end of the eight-week period of you're alone and and you've you've stuck to the rules you've kept everybody on you've only used that money for what it's intended and you want to get that whole loan forgiven you need to contact your bank

(09:29) and start that process yourself it's not gonna it's not gonna be an automatic thing um question from Stacey here and can you still collect unemployment while applying for this and obtaining financing only yeah that's a really good question because the PPP allows you to kind of move you let you to go to recover your original kind of pay rate you would not be able to qualify for unemployment any more so I would suggest kind of taking a look at both programs and seeing which one would work better for you on your kind of situation Thanks

(10:09) and then Christopher's asked and as I understand and I can use these funds to repay a debt obligation now I mean you probably and clear this up but is my take on this as it depends what the debt obligation is yeah so the the bills specifically says it's the interest on any debt obligations out of her that incurred before this kind of pandemic so February 15th I believe is kind of our cutoff date there and it's not pretty broad or is that only to it to mortgage interest mortgage interest and there's

(10:48) also another extra provision for interest on any other debt obligations great great so yeah and just the caveat is the interest yeah here's a question from Sarah that is the internet considered a utility and I believe that your broadband expenses if it's part of the business will be considered a utility bill for sure I'm not sure how that corresponds society or a specific situation whether or not is to do with the fact that you know working from home or whatever I difficult to give a and the precise

(11:29) answer there but if you do want to talk it through someone I suggest just giving giving some one of our our team here a call I'm so you can just call the bench number and we can talk it through can I pay 1099 contractors with this loan are they accounted for in payroll or only traditional w2 employees and this has come a couple of times om but I think that you can kind of again correct / confirm me is there as long as they are and kind of regular and regular contractor you pay in the in the normal line of work not just kind of one offs

(12:03) then and then they count yeah generally that is the kind of thinking we're going with right now yeah and I think you can probably tell in Owens voice there that this is a ever-changing landscape and the guidance from the SBA and the Treasury does change fairly often and you know as I've said we will constantly do our best to make sure that we are giving the most up-to-date information whenever it whenever it comes out let me jump in there yep that w2 definitely is that that counts for sure great thanks it's get to kill it up and

(12:44) question here from Michelle as as a home-based elementary education franchisee what if I get the loan and the schools and camps don't come back for the summer in other words what if I can't rehire staff because Co vid is still causing quarantine and sorry I'm what I was you drink I don't have any initial thoughts on this one that's that's that's a good question the the payroll the lowness of meant to cover your payroll so you you in theory you should be able to take that load and pay your rehiring the employees and pay

(13:28) them even if there's actually no real work being done and then you could kind of decrease that by opportunity 25% if needed but then I suppose obviously the question that's kind of underlying there is is what is it's the matter than then what's going to happen in the future and and unfortunately you know if and if you go into the summer and things are still the same and you know I hate and you have to lay people off or kind of hide them back then I'm sure that we're gonna be in a in a different situation but um

(14:05) yeah just I hope to know difficult to know with a lot of uncertainty obviously I mean this is a kind of very evolving situation this is a huge amount of funding kind of three hundred fifty billion almost three 250 billion allocated to this program alone so there's a lot of support coming and hopefully more to come if necessary yeah we know we understand like American small businesses are the backbone absolutely of the economy so getting as much funding as we can and then much support too so all this as possible it

(14:42) should be the kind of number one priority here next question and does a certain portion have to be used for payroll versus rent and other expenses yeah so we talked a little bit about that earlier of the UM of the loan seventy-five percent of that should be used for payroll and associated costs and then you have a sort of 25 percent and buffer that you can use for these other expenses like rent and mortgage interest payments here's a question parents do you have to have submitted your 2019 tax return Owen it is a very

(15:21) good idea to have that if you've not filed them yet preparing it so you're ready to file or as I'm still filling it out but kind of as much as you can it's a really good idea if you haven't Paris I think if you as long as you have an up-to-date financials and you can show a balance sheet and income statement where you can show a lot of these the financial information that's going to be required is going to be crucial here so you know not a game changer if you haven't filed your taxes

(15:54) but you certainly do need to evacuate accurate financials where you can show and you can prove how much money you need questions Brian Murray what about small businesses such as hair and nail salons that were forced to shut down as they're considered non-essential during the whole period there is no payroll paid to employees does that mean that these type of businesses don't qualify my understanding is they certainly do qualify is that right yeah they absolutely do qualify the payroll because the program kind of isn't

(16:25) retroactive back to February 15th so if you laid off employees kind of during this time February 15th to now it's okay you're okay to kind of rehire them back per se and provide that original pay income precisely so even if they even if they can't come into into the into the salon and do their job the idea behind this is that you can rehire them and put them back on payroll with this loan money and that's what it's for and then I can obviously go count towards the forgiveness of that loan

(17:01) will this presentation or replay the emailed and again I will and make sure that this deck is emailed around to everyone and it should all be recorded as well and so thanks very much for that question and so if a sole prop and you said it's from Elizabeth and if your sole probably had income but took losses due to expenses will you qualify for a PPP loan Helen so Ann lots of what I'm understanding yeah that let's but took income through drawers or whatever things like that ah that's a good question we probably need to do a

(17:50) bit more digging on that but I believe whatever net profit whatever profit oh that's true yeah yeah yeah Elizabeth we are gonna need to check what the situation for these ones for this scenario we will come back to you via email next question is from Jessica I think asking what's the situations for for s and C corpse and these are all eligible under this under this program is that right Owen absolutely yeah great and then Eric is kind of followed up to earlier so if I'm a sole proper 9 and 120 I assume that means 120 thousand per

(18:34) year and I can only calculate and as to that eight three three three point three three and monthly figures that's the amount that's that's caps equal to the 100k is that right Evan yeah absolutely so a hundred thousand dollars and it'll be kind of prorated monthly for that for the following months for that forgiveness yeah so unfortunately this program was only going to cover up to the 100k if you're only if you're earning above that and on the application should the average monthly payroll include your rent and utilities

(19:10) etc or just the actual payroll and so here and I think it's I think it's the payroll plus the other associated costs like things like benefits and insurance all that sort of stuff and a rent and utilities part is captured in the fact that it's two and a half times not just two months two times is that right exactly yeah yeah and so just to confirm that Pattie in this in that average monthly payroll don't include things like your rent on utilities they will be captured it's because your timesing it

(19:43) by two and a half and then JT asks does the two and a half times include all payroll expenses including payroll taxes oh yes it does yes it does fantastic question here from Charlotte if you are a sole proprietor small business do you put the employees payroll amount plus the net profit in the payroll column oh and I believe you're just putting the net profit line here is that right I believe you do factor in any employees you have on your payroll okay um question here from guy if we were in business in 2019 do we use the

(20:36) 12 months of 2019 for the average or do you use the last twelve months or eight Pro 2019 to March 20 2010 sorry it's the beginning here sorry if if um guys business was in business for 2019 does he use the full year 2019 for the average monthly payroll or does he use the last twelve months so from April 19 to March 2020 the right now the guidance is all of 2019 so January 3 19 to December January 2019 for your payroll rate calculator and a question here from question from Lawrence for payroll calculation on page 1 should we use

(21:25) today's numbers or feb 2011 ploy err you should be using the Feb to do in 2019 numbers as is that's the guidance is that right and yes for a seasonal employer I also when you talked here to the lender let them know about that yeah Tom asked the question that's come up a fair bit here which is if I'm a single member LLC with no employees how do I prove payroll if I only do member draws Owen that's a good question member draws I'm not sure with those counters as I understand member drawers do not count

(22:17) as payroll and it's just assessed off the net income line and there we go okay but that's how you know again these these situations change all the time and Tom with this one I'm more than happy to follow up on email make sure that is answered with a higher degree of certainty and Paul's question can rent be prepaid for future months and be forgiven provided it falls within the 25% and you know that one gonna rent be prepaid that's a good question in the spirit of the bill it is to cover any

(22:56) any rent that is kind of being paid off currently any current rent I like a recurring cost yeah I don't think you could I don't I'm not sure and I'm not too sure actually Paul it's safe to say this is certainly a gray area and there's been no guidance that we've seen again I'm gonna I'm gonna mark that as a and if we have any information that we find on this we can certainly and send it to you in an email okay Eric has asked just to confirm how does it works to solve prop one man operation I just

(23:35) have to he asks I just have to retain myself and I assume here Eric you're talking about the the forgiveness part of the loan and yes I mean in theory are exactly right as long as you don't reduce the amount you you pay yourself or anything like that in theory the the amount you are given as long as you're using it and you can show all the ways that you are spending this money that it falls into all the other things like mortgage interest payments and all that sort of stuff in theory the the amount that you qualify for should

(24:10) be forgivable is that right I mean that sounds about right yeah yeah and this is an interesting question next hear from Lawrence that we've thought about as well is that what if an employee leaves on their own and we don't replace them so if somebody quits or has to move home whatever as part of this and everything that's going on they're not laid off does that affect the forgiveness of the loan oh and do you have any sort of concrete answers on this one also a bit of a kind of a gray area any I will know

(24:47) that because we don't have any guidance on forgiveness yet we're still waiting on the SBA notary to kind of confirm that they've given they've been given I think like 30 days to really confirm that for us but as far as we know as long as you hire anyone back and you maintain that headcount you are okay yeah I think the kind of the gut feeling on this Lawrence it based on the kind of on the spirit of the bill is that really they're trying to keep people in jobs or or get people that been laid off back

(25:23) into work and assuming that there are plenty of people out there that are that are looking for work my initial thoughts here would be safe to say that you might to be certain I would feel that I would backfill that position and make sure that you hire someone but obviously as as more guidance comes out from the SBA will obviously be updating all our information that's on the blog and everything that we send out and to clients and the rest of our sort of audience so we'll keep updating that as we get more information question here

(25:55) from Carrie if a business is a partnership with the net income on the tax return plus independent contract payments be used to average for the payroll costs that one unless I shot through it too quickly not 2/3 under that again and carry will I've had a couple of messages over the course of this that it's kind of they've been questioning the eligibility of 1099 and contracts and whether or not they have to claim separately under this program so it's safe to say that this is a bit of a gray area certainly have to

(26:34) the net income line is what you what you're looking at I think we do certainly need more clarification on the on the independent contractor part so again I'm gonna and make sure that we follow up with you on this question from patty so you cannot apply for both the Paycheck protection and economic in the disaster loan if not which is better and patty you can apply for both you can certainly apply for both the key thing here is that you cannot use them for the same thing if payroll was the one thing that you're most worried about worried

(27:15) about a cost that you meet you that you need to meet I would certainly recommend looking at the PPP as the economic injury disaster loan is not forgivable so looking at the two I would certainly go for the PPP however you can apply for both as long as you're using them for different things um Owen here's a question for you any quite any issues with an S corp where the only employee is the owner applying if no issue when is the application date for someone in this scenario I don't believe there are

(27:58) any issues with an S corp and the application is scheduled to be open or they're basically as they're allowing lenders to start applications starting tomorrow tomorrow at yes but of course there may be delays depending on the individual lender as they kind of figuring out the fine details and logistics yet so it's I think you're good to go and in theory you can you can start applying for this loan tomorrow I would check with your check with your bank diskens confirmed that they're a lender and they'd be good

(28:31) to go tomorrow yeah we do have a service set up no I'm Oscar with a thundera yes so and that is again it's an incredibly fast moving and fast moving landscape but bench of of recently and signed a partnership with fund era that a are a sort of a lending platform that help people apply for all different kinds of SBA loans and yes you can if you get in touch with bench we can certainly introduce you to fund arrow who can help you with your PPP application there's a couple more questions about member

(29:12) drawers which say if to say we haven't been able to give a 100% and answer on so I will certainly put them into the category of an email response could I repeat my remark about restaurants from from Christopher not sure exactly and what remark you were meaning here however and if it's down to if it's talking about the size and then it's the 500 person and cut off to be thought of as a small business and eligible for this is only per location um when did you say anything else about restaurants

(29:58) I think I mentioned that an example about kind of that reduction in the pay in salary so like if you're a restaurant and you're not people aren't as you're not bringing in as much income it's okay to kind of reduce that a pay cost that payroll costs by up to 25 percent right just see you that buffer yeah right right right so it's a yeah so it's and you've got up and you can you can reduce salaries up to that 25 percent point completely unnecessary add from me there guys question here if my company paid out

(30:37) contractor job similar to employees and do we count their contract payments like payroll expenses died my initial thought here was that yes they fall under the payroll costs however I've I've received a couple of messages from people who disagree with me so it's safe to say that we need some clarification on this one so we will and we will follow up with that and I will just point out that we have had a ton of questions I think we're gonna go another five minutes just going through this and we've had a few

(31:10) people drop off the webinar already obviously where we're up to the hour point now and anyone that we don't get to of course we will come back to an email but I will um we'll keep plugging away for the next the next five minutes JT I need to complete this application and take it to my local bank question mark that's exactly right your bank provided they are an SBA approved lender and they will be the ones processing this loan so you need to apply through them they may ask for any other additional documentation to

(31:43) support the application things like nine forty ones or proof of your financials that kind of support the the numbers that you're putting down so but yes you're going to go through to your bank Owen this is another question regarding I need to find my 2019 taxes first determine is my net income correct and I'm sorry it was correct question mark and as a sole prop so Owen as so prop does the 2019 taxes have to be filed in order to apply no no not necessarily I don't I haven't seen anything concrete

(32:22) rule say that it must be filed but because we're looking at that number from year 2019 the net profit it is it should be filed soon I'd say yeah so so Eric doesn't necessarily have to be filed but you do need to have your financials done for the year so you should be able to see on your income statement and the net income line and for the full yeah you definitely need to have that and completed and we are some pretty this loan three okay you there are some visions in that form that application for we went to where you'll

(33:01) need to attest that you your filings will be accurate JT asks are there other loans included in this relief law that can also be forgiven or not take a quick stab and you can fill any other any other bits of information there's only one thing I can think of that that can be forgiven and that is the emergency loan portion of the economic injury disaster loan which is during the application process if you request it you can be eligible for up to $10,000 as an emergency and almost forwarding of the loan and irrespective

(33:44) of whether or not you receive or don't receive that economic injury disaster loan that 10k up to 10k is forgivable or it is forgiven you don't have to pay it back because that right forgiving you what I need to pay back at all I'm just something to add on that is it if you have received that emergency and disaster loan let's say let's call it ten thousand up to ten thousand and you also then get a PPP loan to cover your payroll and let's say the two of them are doing different things in it's

(34:18) absolutely fine you've got both oh and I think I'm right in saying that that ten thousand that is the forgivable part of the Eid alone that is that comes off the amount that's forgiven in your PPP loan is that right that is if you refinance it right so if you had that if you had like you took out a twenty thousand dollar loan from the idle and then ten thousand of that was given to you in advance that $10,000 emergency grant you have you only have ten thousand dollars on that balance and you convert that

(34:53) into the PPP so just be the $10,000 I would be illegible that previous $10,000 that you got as the grand you wouldn't be forgiven because it's already been forgiven essentially yep got it but you're gonna bail I'm very sorry what okay here's something from Jessica and what things are included in payroll calculations other than payroll let me just wind back here in the in the document so funding is meant to help retain workers maintained payroll government cover rent mortgage utility expenses but there are things so here

(35:36) you can see here so everything from payroll to commission payments group health care payments there's other things let me just hop out of this presentation earlier I was always sent this very helpful um summary earlier from a partner of ours and included in the payroll calculation as you can see here so they'll just run through these payroll costs including payment of cash tips or equivalent cost relates to the group healthcare benefits allowance for dismissal or separation payment retirement benefit the payment

(36:13) of retirement benefits employee salaries commissions or silicone summer compensation payment of state or local tax assess and the compensation of employees the sum of payment of any compensation to way or income of a sole proprietor of independent contractor there is a wage Commission income net earnings from self-employment that is less than a hundred thousand in one year so you can see that independent contractors are included as part of that just there and thanks Jessica and then we'll take one more question and there's

(36:48) a CPA need to review my form before I send it in Owen a do not great that was pretty simple everyone thank you that all the people are still in the course thank you very much for joining and I appreciate this is a bit of a sort of a bit of a scrappy presentation that we have put together as quickly as possible to make sure that we get this information out there there's a lot of stuff that no one really knows the concrete answers to yet this we're still waiting a lot of guidance from the SVA and I would

(37:25) certainly reiterate that a good step is to contact your your typical bank and just ensure that they are a lender under this program and have a look at that form get it from the Treasury website and just get everything you need and together in order to to apply and obviously if you have any requirements to get your financial as in order as part of this or you're worried about keeping your records and span so you can get the forgiveness of this loan guaranteed then definitely give us a call we'd be delighted to talk to you a

(37:58) little bit more about this and obviously everyone whose questions didn't get answered I will and I will certainly make sure that we respond via email but thanks very much for joining an Owen thank you very much for all of your expert opinion right later take care everyone all righty thank you you

1. Bench Summer 2023 Product Release - YouTube

**URL**

<https://www.youtube.com/watch?v=MDyiazX398g>

**Views and time:**

807 views 1 year ago =67VPM

**Keywords:**

No keywords

**Transcript:**

No transcript

1. Get bookkeeping off the brain | Bench Accounting - YouTube

**URL**

<https://www.youtube.com/watch?v=kCegJnyDVnc>

**Keywords:**

No keywords

**Views and time:**

37K views/1 year = 3083VPM

**Transcript:**

No transcript

1. How To Apply For Your PPP Loan As A Partnership - YouTube

**URL**

<https://www.youtube.com/watch?v=QcxJ-Sb_tCE>

**Views and time:**

1.1K views 3 years =31VPM

**Keywords:**

Paycheck Protection Program, Paycheck Protection Program Loan Amount, Seasonal businesses, Bench, Bench Accounting, PPP Loan, PPP, Partnership, Loan Forgiveness, PPP Loan Forgiveness, Seasonal Business, forgiveness applications, PPP forgiveness, COVID-19, small business, new ppp loan, ppp loan update, ppp update, ppp round 2, ppp round 2 self employed, ppp round 2 application, paycheck protection program application, paycheck protection program loan, partnership, ppp partnership,

**Transcript:**

hello everyone my name is jay and i'm a member of the client research team at bench accounting today i'll be going over how to apply for your ppp loan as a first-time borrower this application walkthrough is specifically for partnerships start by selecting the business structure that best represents your business in this case choose partnership you are required to provide both your business legal name and your dba or trade name if applicable your business legal name is found on any government forms a dba or trade name is what appears on

bank statements or invoices if this is different from your business legal name your business address is also found on these documents you can find your naics code on a website like niics.com nii cs codes are self-assigned meaning you pick the code that best suits your business rather than having one assigned to you start by searching keywords of what you do or look up similar businesses nii cs codes your ein or employee identification number or social security number is found on your previous tax returns provide the name

business phone and an email address of the primary contact for this application this will be who all future communications are directed to this next section of the application is all about determining your eligible loan amount first find each partner's individual salary this is taken from line 14a self-employment income on your 2019 or 2020 schedule k one cap salaries at a hundred thousand dollars for each member if necessary next add up the total of all the salaries and multiply this amount by 0.

9235 to remove the partnership entity's share of self-employment tax once you've done that add all gross wages and tips made paid to employees you should include employee contributions for health insurance and cap the total amount of conversation for any individual employee at a hundred thousand dollars if necessary and exclude any employees who do not live in the us then at your 2019 or 2020 employer contribution for employee health insurance and employee retirement plans found on irs form 106.

5 line 18 plus your 2019 or 2020 state and local payroll taxes excluding federal taxes once you have the total amount of these calculations divide by 12 to get your monthly average now that you have your average monthly payroll cost multiply that amount by 2.5 this will be your loan request amount check the purpose of the loan and check all boxes that i apply list all the members of the ownership that hold 20 percent or more of the business we then reach the questionnaire section answer each question an initial where indicated note that

answering yes to questions 1 2 5 or 6 will mean that you are ineligible for a ppp loan if you've answered yes to question 5 check in with your intended lender as you may be eligible once the new changes to the application process come in on page 2 of the application form there are 10 statements each statement must be signed to certify that you are applying in good faith and that these statements apply to your business signing on any of these statements later found untrue can result in penalties through imprisonment or fines

after filling in the form you'll be able to submit the application through your lender's portal with the exception if they request further documentation as each lender varies this will be the end of our walkthrough good luck with your application

1. Can I Rehire Employees with PPP Funds? | What You Need to Know - YouTube

**URL**

<https://www.youtube.com/watch?v=XZD3pkfvgy8>

**Views and time:**

6K views/4 years = 125VPM

**Keywords:**

ppp, paycheck protection program, sba, small business administration, cares act, rehiring employees ppp, ppp forgiveness, small business, small business finances, covid-19,

**Transcript:**

hi everyone Oscar from bench accounting and in this video we're gonna be talking about the rules around rehiring employees for the Paycheck protection program just to recap if you've got your PPP loan or you're applying for your PPP loan and you want to have it fully forgiven and turn into a non-taxable grant one of the key criteria as well as kind of spending on all the right things like payroll costs mortgage interest expenses etc one of the key criteria is that you need to maintain your level of

headcounts - the same as what it was pre covered and now in your application process on the form you put down your your your number of employees on payroll and this number needs to be the same and in order to qualify for full forgiveness now there are a couple of kind of caveat status or exceptions and theirs have been a bit of guidance that's kind of come out over the last couple of weeks so I'm gonna cover a few fa Q's around rehiring employees that you may have had to let go in the last few weeks now you

can still qualify for forgiveness now to quickly reiterate what was kind of said in the application part of this of this process and then was put in the cares Act is that if you've had to layoff employees already you can rehire them and still have this loan fully forgiven now that's been kind of clear since the outset what isn't clears around what kind of happens if you've tried to get some of them some of them to come back and you've been unsuccessful now in theory if you if you go through the PPP

process and you go through those eight weeks and you have fewer employees on payroll you had last year the reduction or the amount of the loan that can be forgiven is reduced in proportion to your reduction in the headcount so if you had 10 employees and now even though you're eight your PPP loan the amount that can be forgiven will be reduced by twenty percent as it's a 20% reduction in headcount the exception to this is if you can prove that you try to get employees to come back and they rejected your offer

in that case your PPP forgiveness will not be affected so to kind of give it a kind of give an example what you you to do is have it have proof of a letter offer of reemployment so as part of that it needs to be the same hours the same salary and wages and it should be in writing so it should be either be a letter or an email and you need to also have proof of that the rejection of that offer so you need to have a reply to that email saying no thanks or something like that that you can show to your lender to show that you tried to

get this employee to come back but they that they didn't want to now if an employee if the reason they didn't want to come back is that they're on unemployment benefits and they're collecting more on unemployment than they would be if they were being paid by PPP funds it's worth probably pointing out to them that their ability to collect unemployment may be affected by rejecting your offer to have them back on payroll now most employee in most unemployment benefits programs are kind of tied to

regular check-ins and if as part of that check-in process it's kind of uncovered that somebody rejected a suitable job offer that that person's ability to collect unemployment is may well be affected and that's laid out by the Treasury as well when they were kind of giving this update now next question is my business uses contractors can I hire them bonds a payroll and pay them with PPP funds and and here the answer's no the SBA has been pretty clear through this process or certainly since they

released further guidance that's the PPP funds are only to be used for kind of w2 employees now independent contractors as you know can actually apply it apply for the PPP separately and when you're calculating average payroll cost for the PPP to actually apply for the loan you don't factor in payments to contractors and so PPP funds shouldn't be used shouldn't be used to pay them however one thing that's kind of worth saying is that if you're trying to put employees on payroll place others that were there

they don't necessarily have to be the same employees this is a question that comes up a lot like what if I had to let somebody go and they found if a job well the kind of guidance here from the SBA is they don't necessarily have to be the same people as long as you kind of got somebody in and to maintain that level of headcount you should be okay can I use the PPP funds to give my employees bonuses now this has come up a fair bit from from clients here at bench that maybe want to give employees and reward them by paying

them hazard pay things like that so you're actually increasing their salary during these kind of difficult times now it's kind of worth noting that in terms of PPP funds they shouldn't be used to kind of pay for those additional those add ons to salary that above where salary levels were last year you have to remember that PPP is designed is almost like a salary replacement scheme and you know if it if it gives you the chance to kind of pay bonuses because you've freed up a little bit of extra cash because

you're using the PPP to pay to pay salaries then great go right ahead but in terms of PPP forgiveness you should just be using it to pay the same salaries as you put down on your application form and when into your average monthly payroll costs calculations last question is my PPP funds have run out can I then furlough employees or lay them off again and have them go back onto unemployment and the answer here is yes now if you get to the end of the eight-week period of the loan you used up all the proceeds and the

economic climate is still incredibly uncertain you don't have you don't have budget we don't the roles for employees to do you can absolutely lay them off if you have to at that time and they can go back onto unemployment benefits that's absolutely fine so just to recap that saw the the kind of the rules around rehiring employees this does all come from a blog article on this very subject so do have a look at that it's on WWE Bench CEO /blog and we've also put together a PPP forgiveness checklist

which you should be able to download from just from the description of the video below which gives you kind of a guide on all the things you can spend your money on and still qualify for PPP forgiveness and do have a look at that but thank you very much for watching this

1. Getting Through COVID-19: A Financial Game Plan for Small Businesses - YouTube

**URL**

<https://www.youtube.com/watch?v=4vHBs1AhKnk>

**Views and time:**

437 views 4 years = 9VPM

**Keywords:**

No keywords

**Transcript:**

hey everybody I'm going to give us just a couple just a minute here to make sure everybody that's gonna jump on what will get here and then we'll get started you okay we're going to get started now we've got a few people on welcome everyone to York Ovid 19 small business

financial game plan before we get started I'm going to go through just a few housekeeping items first feel free to ask any questions you have by clicking on the questions box on your screen at the end of the presentation I'm going to do my best to answer any questions you might have but if we don't get to them all just a heads up that bench is also going to be hosting another Q&A session next week at the same time so keep an eye out for that if you don't get any of your questions answer today and I'm going to introduce

myself I am Janet berry Johnson I am a CPA and I'm also a writer for bench and I spent about a decade working in an accounting firm I did both small business accounting and taxes and now I spend all of my time writing about them those topics so I'm really passionate about helping small business owners understand their accounting and taxes to help them make better business decisions and today's webinar is hosted by bench bench is the largest bookkeeping service in the US they make bookkeeping and tax

season painless for small businesses by providing a remote team to handle day-to-day bookkeeping and they also provide an app to help business owners track their finances and that's really important all the time but especially when money's tight so one of the things we know right now is that a lot of small business owners are really feeling uncertain about the future so many small businesses are essentially non-operational right now either because they were ordered to close or they felt like closing the doors was the right

thing to do to limit the spread of coronavirus and others might be struggling to support employees who are working from home right now balancing productivity with caring for families and of course one of the biggest challenges is that we just don't know right now how long this is going to last or what the long-term impact will be on the economy but despite all of that there are some things that you can do now to protect your business while also protecting your employees and your customers so today we're going to cover six of those steps

so one of the first things that you want to consider is whether you have business interruption insurance coverage that can help you replace some of the revenue that you might be losing right now now I want to preface this by saying that every insurance policy is different so you really have to look at your policies and talk to your insurance agent to find out what kind of insurance you have and what sort of exclusions are written into the policy that said there's actually two kinds of business interruption

coverage that might come into play here business interruption insurance is usually purchased as part of the commercial property insurance policy and it's intended to cover some loss of revenue if your operations are disrupted so for instance if you had a fire in your warehouse and you're not able to fulfill orders business interruption can cover some of that lost revenue while you get up up and running again the second type of contingent business business interruption insurance it's similar to regular business interruption

but it covers lost revenue resulting from a disruption to your customers customers or suppliers so for example if you have a retail store and you rely on products from an overseas supplier and that supplier is not operational then that could cause you to lose business so that's a loss that might be covered by contingent business interruption insurance now even if you do have this coverage there might be some exclusions in the policy wording that are going to make it difficult for you to successfully file a claim so for example

after the SARS outbreak in 2003 many insurance companies updated their policies to exclude infectious diseases so your insurance company might take the position that your lost revenue is caused by kovat 19 and so it's not covered however I did see a story just a couple of days ago that a restaurant in the French Quarter of New Orleans filed a lawsuit asking the court to determine that their lost business wasn't because of the virus but because of the government are limiting public gatherings and the mayor restricting

restaurant operations and they're asking the court to interpret the insurance policy in a way that provides coverage for their lost revenue now I'm not an attorney and I'm definitely not suggesting that a lawsuit is the best course of action right now but it is something to keep an eye on because I expect we're going to see a lot of these insurance questions working their way through the courts in the next few years again if you do have business interruption coverage that coverage can really vary depending on which company

you're with and how the policy is worded so talk to your insurance agent and if you don't have coverage right now it's probably too late to buy it for this event but it is something to consider for the future once the current situation stabilizes now our second recommendation is to implement in an emergency budget now this involves cutting out all unnecessary expenses to ensure that the money that you do have is going to last as long as possible so you've probably already cancelled your travel plans for the immediate future

but look at other ways to cut any non-essential spending if you have subscriptions that aren't critical or large projects you're working on that you can put off for later or maybe you've been making extra debt payments to pay off your loan or credit card you might want to put those on hold and just pay the minimum due and because really the more cash you can hold on to now the better positioned you're going to be to keep your business afloat now I know that many of these cost-cutting efforts

are tough because a lot of times budget cuts are going to impact people and put more jobs on the line but at this point it's really a matter of survival for many small businesses so your goal is going to be to weather the next few weeks or months and come out on the other side and if you need help with that a good resource is going to be bench if you they can help you review your expenses and look for ways to cut costs if you have a bookkeeper handling your small business accounting it's a lot easier to

take a look at your expenses and your cash flows and spot those places where you can make cuts and that's really helpful especially in tough times now our third tip is to consider refinancing your current debt or even getting a low interest rate loan now you have probably heard that the Federal Reserve cut interest rates to 0% now unfortunately this doesn't necessarily mean you're going to be able to get a loan or a credit card with a 0% interest rate but the feds decision does tend to lower the

cost of borrowing overall even though actual interest rates are higher than the federal funds rate so it is a good idea to talk to your bank if you have any high interest debt you might be able to refinance and lock into a lower rate and if you can lower your interest rate and maybe even extend your loan term that can really reduce your monthly payment and help out your cash flow right now unfortunately it might cost more over the long term to extend your loan term but if you can if you can get through this situation you can pay that

off down the road and if you don't currently have any debt but you need help with cash flow you might consider a loan from the US Small Business Administration the SBA recently announced that they're going to be offering disaster relief loans for small businesses who've been impacted by coronavirus so with a disaster relief loan you can borrow up to two million and the funds can be used to cover loss revenue make debt payments meet payroll and any of those other expenses that you need to stay afloat right now now the

SBA's disaster relief loans aren't exactly the fastest option it can take more than a month to get loan approval and I do expect that lenders are really going to be swamped with applications but that is an option that's out there if you need funding faster than that another possibility is an SBA Express bridge loan now with a bridge loan you can borrow up to $25,000 the catch is you can only get one from a bank that you had a relationship with at the time of the disaster so for example if the bank where you maintain your

business checking account is also an SBA lender then you can talk to your banker about your options there now our fourth tip is to communicate if you know that you're going to have trouble paying bills or making loan payments in the coming weeks or months it's really crucial to communicate with your lenders and vendors and suppliers now the good news is that companies around the world are offering free services they're allowing customers just get payments waiving late fees and offering other types of financial assistance to

individuals and businesses that are being impacted by the coronavirus there was just an article a few days ago in USA Today listing a bunch of these programs they're from utility companies phone and Internet service providers and even banks but the key really is that you have to communicate because if you simply ignore your bills you run the risk of having your account reported to collections or having your services cut off but if you call to discuss your options you might be surprised at how willing they are to work with you and

our fifth suggestion is to look at programs in your city or state now the federal government has been working on a stimulus package I believe it's supposed to be finalized this today actually but several state and local governments have also announced different programs and initiatives and at helping small businesses the resources available in every state and city are going to vary and new ones seem to be announced every day but I did find a few big examples that we can talk about today for example the New York City Department of Small

Business Services is giving out loans of up to $75,000 with a 0% interest rate and they're also offering small businesses with less than five employees grants to help cover payroll costs now grants are definitely more attractive than a loan because you don't have to pay them back so that's really a great if you are a small business owner in New York City but no matter where you live you might want to look into an other small business grants we have an article on bench Co that lists a bunch of small

business grant programs so definitely check that one out and you might have heard that the IRS pushed back the deadline to file and pay your 2019 tax returns they pushed it back by about 90 days from April 15th to July 15th and many states are following suit but you really need to double check with your state because not all of them have changed their deadlines or they might provide a different timeline for example in California the Franchise Tax Board pushed the deadline to file and pay 2019 taxes back by 60 days to June 15th and

Maryland is extending their deadline for certain business related tax filings to June 1st so it's really important to check with your state's Department of Revenue to find out if they've extended your tax filing deadline if they've extended the payment deadline that can really help out and this helps in a few ways because first if you're really not able to file your tax return because of coronavirus then you're going to have more time to get your paperwork together and get it filed but more importantly if

you've been setting aside money to pay your tax bill this gives you an opportunity to use those funds for your more crucial needs right now so you can use those use those funds to pay your bills to pay employees and you're still going to have to pay it eventually but you can worry about that 90 days from now instead of today and several states are also making changes to employment benefits now the federal stimulus packages are also providing some different unemployment options but in Washington State they were the location

for the first confirmed case of kovat 19 in the US and they just recently announced a mandatory statewide stay at home order well in Washington State they're talking about paying unemployment benefits even to workers who are on standby or working reduced hours so if you have highly trained employees and you really don't want to lose them but you can't afford to keep them working full-time a program like this could help you hold on to them and they won't have to go looking for another job because you can't keep them busy again

those were just a couple examples of some statewide programs that we're seeing and there's really more being announced every day so check with your governor's office or your like local Chamber of Commerce that they're probably going to have the most up-to-date information that applies in your area and finally our last tip is to talk to your accountant or your tax advisor as I mentioned before the tax deadline was extended to July 15th and again that's the deadline to file as well as the deadline to pay any federal

income taxes now a lot of people have already filed their tax returns and paid what they owed for 2019 unfortunately if you already paid what you owed you're probably not going to be able to get that money back now but if you're expecting a refund it's really important to file as soon as you can as it stands the IRS announced that they are still going to be issuing refunds so definitely file your tax return as soon as possible so that you can collect that money and again this is something to discuss with your accountant or tax

advisor because things are really changing quickly it seems about every time I write about one of these programs that everything changes so your accountant and tax advisor are going to be following this news closely as well and they can give you the latest information now I know that we just covered a whole lot of information in a really short amount of time but hopefully this gave you a few ideas for resources that you can tap into so with that I'm going to see if we have any questions to answer so one of the questions we have here is

about unemployment I've had to let some of my employees go due to Cova 19 will my unemployment tax rate increase if my employees file for benefits so what I understand is that businesses who will are temporarily closed due to kovat 19 are not going to have their experience rate impacted if they have to lay people off so there's going to be a relief from having your rate change at this time because of covin 19 so that's that's some some good news for employers that just really don't have an option of

keeping people on the payroll so I have another question here having trouble reading who these questions are from sorry I am self-employed and I can no longer work during this crisis can I apply for unemployment assistance so this is kind of a big question I understand that small business owners and self-employed people currently cannot apply for unemployment benefits if they need to close or temporarily shut down but that is something that a lot of people are talking about right now there's a whole lot of people that

have been moving into the gig economy in recent years and I know for one the freelancers Union is really pushing lawmakers to extend unemployment benefits to cover freelancers and self-employed people as it stands unless there's something brand in the brand-new stimulus bill that's going to extend those benefits self-employed people are not covered by unemployment but that's something to keep an eye out on I think that because there's just so many people in the gig economy we might see that change

and I have another one here a question if I'm a small business owner and I'm eligible for unemployment benefits if I need to close or temporarily shut down my business because of Coco vat19 so again small business owners probably not going to be able to apply for unemployment benefits but you might be able to qualify for a small business loan the Small Business Administration as I mentioned earlier is offering disaster relief loans to small businesses and that might be an option I know that bench is currently also putting together

a very detailed blog post about small business loans and the disaster relief loan program so that could be a helpful resource you can find that on the bench Co blog and I don't have any other questions here if anybody else that's listening in would like to ask some questions I'm more than happy to try to answer them for you as much as I can but if we don't have any other questions then I appreciate everybody that tuned in today and I guess we will call it a day now remember that I mentioned bench

is also going to be hosting another Q&A session next week same time at 11:00 Pacific so take a look out and register for that if you have any questions in the meantime you know we're going to compile all of those questions and try to get it everybody's questions answered so we're happy to help out thank you you

1. 2018 Tax Deadlines for Small Businesses - YouTube

**URL**

<https://www.youtube.com/watch?v=nFz4qqIYt-c>

**Views and time:**

1K views 6 years = 14VPM

**Keywords:**

taxes, 2018,

**Transcript:**

No transcript

1. Online Bookkeeping for Your Business | Bench - YouTube

**URL**

<https://www.youtube.com/watch?v=-tOTfAMDn9E>

**Views and time:**

6.9K views/6 year = 96VPM

**Keywords:**

bookkeeping, online bookkeeping, bookkeepers,

**Transcript:**

if you run a business any business you need accurate up-to-date bookkeeping it shows you where your money is going it's the first step in filing your taxes and it allows you to make smarter financial decisions that help your business grow but spending hours doing your own books every month isn't the best use of your time that's where bench can help we do your bookkeeping so you don't have to the minute you sign up we pair you with a dedicated bookkeeping team real people who care about your business each month

your team imports and categorizes all of your transactions and turns your data into accurate financial statements simple visual reports keep you in control and show how your finances are performing you can use bench on your computer or your phone and if you ever need help or have a question about your books it's easy to get in touch our bookkeepers work in-house at bench and they respond to messages within one business day get started at bench CO and let us take bookkeeping off your hands forever [Music] you

1. The Lazy Person's Guide to Small Business Bookkeeping - YouTube

**URL**

<https://www.youtube.com/watch?v=RrVER0Rj8sM>

**Views and time:**

2.1K views 6 years = 29VPM

**Keywords:**

bookkeeping, bookkeeping basics, bookkeeping business, accounting, bookkeeping for small business, accounting basics, accounting 101, financial accounting, what is financial accounting, small business bookkeeping, small business bookkeeping 101, small business, how to start a small business,

**Transcript:**

No transcript

1. Mastering Tax Season: Bench x Side - YouTube

**URL**

<https://www.youtube.com/watch?v=dGLNsmq20Pg>

**Views and time:**

303 views/8 months = 30VPM

**Keywords:**

No keywords

**Transcript:**

hello hello as people are filing in all right I see some folks starting to pop in welcome please use the chat tell me where you're calling in from it's going to default to host in panelists but if you change it to everyone we can all act like we're in the same room together because just me staring at myself it's always a little bit funky you're out your computer and you can type in tell me where you're calling in from I'm from Vancouver Canada New York City hi Jeff Bakersfield just south of me hopefully

it's sunny where you are ash amazing I should have had some music playing or something but don't worry it gets more interesting I swear okay amazing lots lots in California I know the side Community is is pretty heavy in in the state of California so it's it's great to have you okay so I can see we've got quite a few participants in so I'm going to go ahead and make sure we we make good use of our time because all of you are very very busy people with a tax deadline around the corner so I want

to give you some tips and help you get on with your day for anyone who hasn't seen my face before my name is Alison and I manage Partnerships over at bench accounting bench is a bookkeeping and tax filing firm um that supports business owners through uh navigating bookkeeping and tax filing and we partnered specifically with the side community because so many of you um either are on teams or you work as individual agents and navigating uh how to get your bookkeeping done and your tax deductions maximized is just such a pain in the

butt um for the entire Side Community and so we we handle bookkeeping for a lot of side real estate agents and teams um you know and and we operate as as sides a main bookkeeping partner myself specifically I've worked at bench for more than three years and I'm extremely passionate about this space I get to help my favorite kind of people Entre R preneurs like you you're the backbone of our society you drive the economy um you know I went through my own first kind of like home buyer process last year um I

didn't end up purchasing anything but I made a few offers and I just can't tell enough you know as a consumer of of real estate how important the work that you do is um and I also hear all the time from folks like you that you didn't start these businesses or these Journeys because you're passionate about back office tasks that are required by the US government like bookkeeping and tax filing you also don't know what you don't know um I very rarely speak to business owners that actually studied

Accounting in or outside of school and this totally impacts how you can use your financials to better your business and and grow your client base so my goal today is to shed some light on how you can master master your tax season by filing things correctly on time and most importantly paying less to the IRS so let's take a minute and appreciate the fact that all of you are here today this content makes people go cry side even me and I do this for a living so you're taking an extremely critical step to

show up for yourself and show up for your businesses so thank you so so much so um I said this a little bit already but bench is a bookkeeping and tax filing service we focus specifically on small business owners independent contractors all the way up to teams of real estate agents of like you know 25 or more um bookkeeping is a low margin product Most accountants don't actually want to spend their time doing the books for small businesses instead they either offer like a year-end cleanup which leaves you without Financial Insights

throughout the year um or they ask you to do your books yourself in a DIY software whether that's like Excel or QuickBooks and then your CPA would just take care of the accounting and filing at the end of the year at bench we do it a little bit differently I strongly believe that no business owner or contractor should be spending their evenings and weekends pouring over bank statements payroll documents receipts Merchant reports um around the dining room table we prare a team of human being bookkeepers with a simple software

to do this for you and I think that this is especially relevant in the real estate industry because all of you are already sacrificing so much of your personal time to be there for your clients in the home buying process so a couple of things that we're going to cover today with some housekeeping first of all this session is being recorded I'm going to email it out to you afterwards so take notes but just know you're going to have access to this information again any resources that we talk about today will also be linked

afterwards um and if you have questions that are on your mind please use that Q&A Fe feature I've got my eyes on the chat I'll try to you know pepper things throughout but if you've got questions if you're sitting there I can guarantee that somebody else has them too so please don't be afraid to use that section and I will have you know 15 20 minutes for Q&A at the end anything that we don't get to you just come and talk to my team here at bench and we make sure we get those answers um so what are

we going to cover today we're going to talk about um how tax filing actually works so we'll touch on the dates and the forms that you need to be aware of the impact of your entity type and what that means for filing um we're also going to talk about what it means to file an extension which many of you are going to want to do given how close the upcoming tax deadline is and some tips on how to best use bookkeeping to prepare your tax filing from there I'm going to talk deductions what they are

what ones are commonly missed in your industry and how to make sure that you're capturing them all to lower your tax bill um at the end like I said we're going to do Q&A so if we run out of time I will see those questions and we will follow up to get you some answers let's dive into it so I just want to take a second to acknowledge that this stuff feels scary and confusing for a reason like straight up the tax filing system in the United States is complicated it almost feels like on purpose people end

up paying way more in taxes and in penalties than they need to often times just to make the problem go away and this couldn't be more true than in the real estate industry because um so many of your like Revenue opportunities are few and far between it feels like you have low overhead low expenses and therefore your tax uh bracket is really high in a lot of cases so the US government is a revenue generating organization and I want you to get your typing fingers ready because I have a a little question for you I want you to

guess how much money and revenue the IRS made in 2021 and it's a a big number it's across personal and business tax returns so go ahead and and pop a guess in the chat for me 21 billion that's a big number 100 trillion holy a bajillion three trillion love it any other guesses there's no prize other than my adoration okay they made $4 trillion do in one tax year alone they're always making investments in how to improve this and now look taxes are a necessary part of society right we we make no

judgment on how tax money is spent um but what we want is for each each of you to pay the right amount what you are legally obligated to pay not a penny more and unfortunately um there's just no gr area you either do the work right and you file the taxes properly and you pay the right amount or you pay more or heaven forbid you pay too little and now they're coming after you there is an incentive for these governing bodies to make the system hard to navigate for business owners because they generate

revenue from its complexity the system is rigged the tax code is 7,000 pages long I don't have time to read it how could you a business business owner keep uh track of all of the changes um when you're really just supposed to be supporting your your clients and helping them through their buying processes we're also very rarely taught this stuff in school right did anyone here study accounting I'm going to assume that you didn't and that's why you're here seeking support um you'd

also be surprised how many accountants show up to these sessions because they're looking for the most up-to-date information to help their clients through this challenging process shockingly this is not taught to every American citizen despite the fact that we are all interacting with the system in our lifetime um it's not your fault the system just is not great for supporting people who want to do what they love and in your case it's real estate so how do we make sure that we get all of this right if you are doing it yourself you

need to understand at a minimum what's expected of you so what forms you need to fill what you need to pay and when then to be sure that you don't pay more in taxes than you have to you have to be capturing every single transaction yes even that Amazon purchase for that home office pillow that you bought on your personal credit card six months ago if it sounds like a lot it's because it is and you're not alone most business owners that I speak to try DIY in the beginning even if they don't know the

first thing about bookkeeping um this is the default because like we said right accountants don't want to spend their time bookkeeping every single month especially for small businesses with low overhead and you know a few transactions every single month so so if you're an accountant uh if you're using an accountant or a bookkeeper you need to do yourself a favor and discuss with them in detail what your tax plan is um because they can't pull deductions from thin air and they're not going to hunt

these down for you right just like we would never expect a individual person to be successful in the home buying process doing it all on their own without professional support um we would never recommend DIY for something so complex and impactful as IRS compliance so regardless of if you are diying or using a bookkeeper or an accountant bookkeeping is the foundation of a quality tax filing experience so without accurate and complete books you are going to pay more to the IRS than you need to um and that's what we're going

to unpack a little bit further today so how do we avoid the Crocs we could sit here um you know for a whole hour and I could list off all the possible forms that you need to file for each unique situation but first i'm just just going to make you understand um you know the IRS is waiting for you to fall through these cracks so if you are doing it yourself you have to be capturing every single transaction there's a lot that you need to know and it can be overwhelming so my goal is for you to leave here today with a detailed plan

either how you're going to speak to your accountant about getting this stuff done the changes you're going to make to your di process to improve it or the ways that you can seek help if this is not something that you feel confident you can manage moving forward um when it comes to what you need to file it's all based on your entity type so that's the first most important thing to know because that informs what forms you need to submit by what date and when you need to file so does everybody here know their entity

type can you shout that out in the chat for me I think a majority of you are going to be Soul proprietorships could be some ESC Corps in the audience as well okay Ash is a so proprietorship yam's an es Corp okay so we do have a mix that's really good for me to know um I want to show you the the main theme that you need to come away from this is if there's a form to file there's a fee Associated either get with getting it wrong doing it late or not doing it at all so as an example a lot of you are 1099

contractors um on the right hand side here do you see this chart um it looks kind of scary but I'll break it down pretty Lightly for you yes Ash you can file an extension we'll talk about that in a sec um this chart is from the IRS website this is what businesses are find if they don't file their $ 1099 contractor forms on time and this is per contractor form so it's astronomical the fees that they can choose to charge you if you just aren't aware of what you're responsible for um and to find a list of

forms that your business is responsible for you just take your entity type and Google it and you add tax forms in there and there'll be tons of resources I actually have uh a guide that each of you are going to get emailed out but I just put it in the chat there if you open that up just keep it in a separate Tab and come back to the session because I have a lot more resources to share with you um this tax guide spells out all the forms and dates per filing type um and it's something that you will be

able to use for years to come so some key dates to be aware of these two have already passed so January 31st that's when all W2 forms are done for any inde uh any in-house employees that you have um and 1099 contractor forms are also do then as well so if you operate a team with inside and you have 1099 contractors you needed to have filed these forms already by January 31st if you didn't do it don't panic you're acre penalties but bench or another system can help you with that and the best thing that you do is just

block off some time to get that sorted out um the next form date uh deadline was March 15th and that's for S corporations and partnership tax returns so if you have an S corporation and you didn't yet file your taxes for 2023 you're late and you are AC crewing penalties on any balance owed but the best thing you do is just to find a solution to help you get caught up and filed quickly and then the upcoming tax deadline that's what most of you are here for any individual agents you're likely a 1099 contractor

or a sole proprietorship you are a business owner and so many real estate agents don't realize this if you're a individual realtor you pay a broker fee or you work with side you are a business owner and you're taxed as a business owner your tax return is coming up it's due at the exact same time as your personal tax return so any c corporations any sole proprietorships your taxes are due by April 15th and you have to file your taxes and you have to pay your taxes um also if you know that you file your taxes on a quarterly basis

to pay quarterly estimates this is a double whammy this is also the date that your first quarter of 2024 estimated tax payments are due um and if you don't know what that is come and talk to us so that we can help you navigate that so these are just a couple of dates to know um States individual states have different forms dates and penalties so you need to make sure that you're covered it's extremely challenging to navigate this and set internal deadlines and reminders to get this done on time um but you need a clear list and a

calendar for yourself so that you don't miss something or fall behind and miss the deadline you'll get hit with a fee if you do having someone double check for you is invaluable better yet invest in yourself and your happiness have someone do this for you that's the huge time and stress saver quick note on entity type a lot of you will start out as Sole proprietorships and then eventually you will elect to file as an S corporation under an LLC there are tons of great benefits to this oftentimes an S

corporation status will allow you to lower your personal income tax for the owners because as an owner you get to pay yourself a reasonable salary in the business business and then receive taxfree dividends on other Revenue that the company is earning so you save on self-employment taxes because an escorp shareholder only pays for Social Security and Medicare taxes on their salaries they don't pay those two taxes on their tax-free dividends but in order to take advantage of that you have to first elect as an es

Corp and then you have to take the step to pay yourself on payroll as a W2 employee so if you're an S corporation and you aren't receiving a W2 paycheck from your entity today you're probably not taking advantage of the tax breaks that come from being an S corporation so if you need help with that you come and talk to us so the secret to filling out forms is regular and accurate bookkeeping so if you're in a position where you didn't do this throughout last year and now you're playing catchup doing work for 12 plus

months of bookkeeping it is time to reevaluate your process for 2024 and Beyond doing it yourself is timec consuming and expensive is expensive and this is time that most business owners want to spend working with their clients but then you think further about it this stuff is you know it's way better for you to spend your time with family and friends or growing the business than it is on this tedious back office work um if you're in a position where you don't you know you might have an income statement you maybe you build yourself a

p&l but you don't really know what a balance sheet is income statements and balance sheets that's where you get the answers to most of the questions on all of your tax returns and those two documents what a CPA would use to inform filing those tax returns so if you don't have those two things and you expect the accountant to be able to maximize your tax deductions you're really starting from behind um and that's just a cycle that we want to stop we want to stop you from feeling always behind feeling like

you have to file an extension thinking about taxes constantly throughout the year um and with that in mind Ash I want to talk about filing an extension okay first off this is an extremely normal thing to do every single year one in eight American taxpayers will file for an extension and then another six out of those eight are just going to be late and incur uh penalties as a result so tax extensions are an amazing tool for you to use if you're in a position now where you know your taxes are due in five days and you just don't have time

to get it done file an extension set aside 30 minutes to do it you will be so glad that you did um this a tool that the IRS makes available to you if you need more time to file stuff accurately and get your docs together an approved extension Grant grants you an extra 6 months to get your taxes filed so for six extra months you will not be incurring a late filing penalty so it's too late if you're an escort or partnership to file an extension you need to move on filing your taxes quickly if you're still behind but Sole

proprietorships and C corporations that includes 1099 contractors under the so proprietorship bucket you would move your filing deadline um from April 15th which is in 5 days all the way to October 16th it gives you an extra six months to do the work sole proprietorships have a different process for filing an extension than other uh Corporation types so I'm going to drop a resource in the chat to walk you through how to file an extension um for the other three entity types but look at that uh just Google soulle

proprietorship tax extension and you're going to have um you know a million resources at your fingertips the other thing to think about too this is just for federal um state has totally different rules it depends on where you are if you pay income tax there the last thing I'll say about filing an extension this only extends your filing deadline there is no such thing as an extension for your payment deadline so this is unfortunate but you need to pay an estimated amount of how how much in taxes you think you will owe for last

year by April 15th and there's no getting around that if you don't pay an estimated amount and you end up owing a balance the penalty is is 0.5% interest per month owed on that tax bill and it's avoided just by paying an estimated amount when you file an extension there are uh estimated tax calculators online I'm going to put one of them in a chat this is from our website there's other options um a lot of people just pay like what they thought they owed last year plus a little bit on top if their

revenue was increased just do yourself a favor and pay something so that you avoid that late payment penalty and as always I recommend you hire a tax professional to look everything over just to be safe okay so this is the part that everybody is waiting for we're gonna talk about deductions and I've got a little bit of video to kick things off a new lamp can you hear me yeah I'm thinking of bringing home wear um into the store so that's a write off that's a write off yeah do you even know what a write off is uh yeah it's

when you buy something for your business and the government pays you back for it oh and who pays for it nobody you write it off who writes it off I don't know the Govern the write off people what why are we having this conversation so if I need booze to get through my day I can just write that off okay I don't know if any of you have seen that show but it's called shits Creek and I absolutely love this clip because there are so many misconceptions about what a tax deduction actually is and how to capture

it um and honestly there's so many people that come and speak to us that are business owners that employ people are extremely smart um extremely well read they do tons of research they know what they're doing but they don't understand tax deductions so I think too many people feel like inferior or like they're not doing a good enough job at managing their businesses if they don't get this tax system You Are Not Alone every single one of us feels these this pain around tax deductions but here's

how it actually works okay when you have an expense you take the amount of that business expense and subtract that from your overall taxable income but like everything with the IRS it's not straightforward there's rules and nuances for different expense categories that you have to be aware of to make sure that you're writing off the right amount um that you're not overdoing it in any of these kind of gray areas that CPAs and accountants talk about um my favorite example is business meals expense so generally you can deduct 50%

of any qualifying food or beverage costs when you're working but if it's a meal that you're providing for employees like maybe pizza or dinner when the team is working late or you're having an event or a party those costs are 100% deductible now does that mean that you can just put all food and beverage under you know oh this was an event oh this was providing meal to an employee of course not that's one of the easy cracks that the IRS wants you to follow through to flag you for an audit um and getting

audited is just something that we want you to avoid at all costs if you can't avoid an audit you want to be ready with documentation to prove that the claims on the deductions you're making are correct um and if that sounds scary it it's because it is you shouldn't be left to do this on your own so some commonly missed deductions specifically in the real estate industry the first one I'm going to talk about is commissions paid forward so ask me questions about this in the chat if my explanation is not

clear but if you are working with a different agent or another brokerage and you end up sharing your commissions with them that share is a taxable expense especially if you're new to this type of ownership uh business ownership and in the process of expanding your network you're probably taking on some revenue and then passing forward a a percentage of that Revenue earned to uh share in those commissions as you're expanding your network if that's something that you've done you need to be recording

these payments against the amount of Revenue that you keep because that's a tax deduction that you get to earn on that overall Revenue okay the next uh one is brokerage fees otherwise called desk fees we can't talk about brokerage or desk fees without also talking about home office deductions and the reason for that is the government the IRS only lets you write off one or the other so desk fees um this trips up so many diyers so your brokerage fees or your desk fees are 100% tax deductible so if you're an

agent check with your side team check with the team that you follow under make sure that you know exactly what your brokerage or desk fees are if you have them now if you're a team and side as your broker of record you uh do not have desk fees with side and the reason for that is because side doesn't provide office space they provide software tools and resources for you to run your business but you're not working out of their office so they don't charge a desk fee so any agents again that are on a

real estate team through side that you pay brokerage fees I just want you to know that you can write this off caveat with home office deductions you have to choose one or the other so you can't write off home office deductions and desk fees the IRS assumes that you have one primary workspace related to a set of tax deductions so it's either the space that you pay pay for inside your brokerage that you work out of or the home office space that you use all the time and we will talk more about home office in the Q&A because

that's everybody's pinpoint sides platform by the way it's 100% tax deductible that the fees that you spend to operate under side it's a software that you need in order to run your business successfully so it's just like any bookkeeping fees or professional service fees bench's fees are 100% tax deductible too so it's not just an expense that you kind of like pay for and it goes into the abyss it comes back to you at your tax time okay so if you are a team with side you're going to want to focus on office related

tax deductions and if you work from home um that that's what we'll we'll touch on in a minute here okay um continuing education you all work so hard to stay competitive stay up to-date on any changes in the industry and just kind of making sure that you have the best advice locked and loaded to support each of your clients the costs of those are typically totally tax deductible I say typical because there's some things you can't write off um but the way that I like to break it down is like this the

training or education can't be there to qualify you for a different trade or business so if you run a real estate business and you go back to medical school you can't write off your medical school because it's taking you into a totally different um industry it also can't be for the purposes of meeting like minimal education requirements meaning you know you're a real estate agent you want to get into home flipping so you go to you know try to learn something about the trades those are two unrelated things

that would be minimum education for trades and not a write off under your real estate business so the real estate specific training courses that are uh 100% tax deductible are any of those that help you maintain or improve the skill related to your field of real estate if you pay for a course if you pay for Consulting these types of continuing education pieces are 100% tax deductible and too many people miss them another one that I cannot let you leave here without knowing about is the value of capturing interest fees for any

payments that you make to a business loan or a business line of credit so these interest payments are 100% tax deductible in order to capture these correctly so that you pay the right amount to the IRS you have to manually split those payments made so let's say you've got a loan under the business um that you pay down every single month you have to split it into two transactions the first transaction is the payment made to pay down the principal of the balance owed this pays down the liability on your

balance sheet the second portion is solely interest and we have to capture that under a category called interest fees expense on your income statement way too many business owners just make their one lump some payment they don't break it out into interest in principle um and luckily with this audience I know that you're very familiar with this when it comes to mortgages but just make sure that you're applying that to any business related debt that you have as well another one that gets people tripped up is the uniform expense so a

uniform expense is a piece of clothing that's company branded and can be considered a uniform that is a write off but that new suit that you bought to you know impress a potential new commercial client that would not be a write-off because theoretically that can be worn in places outside of your business so the key here is optimizing the type of clothing items that you have that put your company logo on it um and a reserved for business use and a a CPA or a tax professional is the best person to help you decide what's possible and

what's not um independent contractors every single payment that you make to a contractor is 100% tax deductible where people start to miss this is if you have like a one-time contractor they do one marketing job for you and you only pay them you know under $600 in a year if you pay them under 600 in a year you do not have to file a$ 1099 form for a lot of business owners independent contractors Etc if you pay a contractor less than 600 you still get the tax write up for it and that's the key piece that people Miss especially if

they're smart and they're like I don't want to do$ 1099 work so I'm going to get a different contractor for each small job that I need done but if you don't write those off you're missing you know 600 times however many contractors you have so I always highlight that as well um the last one here business transactions that occur on personal accounts I know that a lot of you think that your business is too small for a regular bookkeeping solution so you just have your One credit card maybe it gets

you like some good points um and you don't separate anything personal and business the amount of effort that it takes to parse through your personal accounts to go back and find your business expenses at the end of the year it's painful and people always miss stuff it doesn't matter how you know tight to attention to detail we think we have this is not your primary business function so there's just no way that you're set up for success to do this properly on your own the key here is to make the most out

of these deductions and never feel guilty y for claiming them especially for people who love what they do there's way too many business owners that I speak to that are like well you know what you know I met with that other broker and and they they were you know gave me a lot of good advice like definitely it helped me more than it helped you know them so I'm not going to write that off because I really enjoyed that conversation don't do this you deserve the deduction if you don't take the deduction the IRS is just going to

collect that in the form of Revenue and in my opinion they deserve the exact dime amount that's legally necessary and nothing more okay so vehicle deductions we saw a few questions about vehicle deductions leading up to this event so I want to touch on this for a second and then we're going to move into how to capture this stuff okay so when you are deducting your vehicle if your car is only used for business purposes it's listed under the business it's 100% business use you get to deduct the

entire cost of its ownership with some classic IRS caveats if it's only partial business and you also use this car for personal use then you can only deduct the portion of this business uh vehicle use not the whole amount so there's two methods in how to do it you can generally figure out um the amount of your deductible car expenses using either the standard mileage rate or another rate called the actual expense method many of you will qualify for both methods if you have 100% business use uh on a vehicle in order to

know which one's best you have to know how to calculate both and see which set of deductions is larger and I highly recommend you ask a tax professional to do that for you so for self-employed uh business owners it's 65.5 cents in a mile if you qualify for the standard mileage rate okay if the vehicle is fully owned you have to use this standard mileage rate method in your first year of business use for the vehicle and again this is for 100% business use if the vehicle is leased you must use the standard mileage

rate for the entire lease period if you choose this method the first go around so it's hard to know what's legally required of you um versus what's the option you should choose based on the best deductions and it could change year to year that's why it's really difficult to set the step on autopilot know you do it right once your business grows a little bit and now suddenly you have a new set of considerations so the other method is the actual expenses rate so to use the actual expense method you have to

determine what it actually costs to operate your business um to operate the car for the P portion or percentage of the overall use that's business and then um you deduct those expenses so some expenses are are you you know gas oil repairs tires insurance registration fees lease payments depreciation um so once you figure out the percentage then you can attribute that percentage to all of these costs throughout the year so then you write off these applicable expenses if this is sounding confusing it's because it is there's

just way too many kind of like there's a different tree method you could follow based on how you do your spending what's possible for you to track whether you've been tracking your mileage or you're just using your gas receipts um and it's impossible for me to tell you which meth is best because I'm not your tax professional I don't have all the context so there's tons of reading you can spend hours on the IRS website to try to get this right or you can pay somebody to support you any depreciation

on vehicles yeah if you own the vehicle you can write off a portion of that depreciation that's uh equal to the portion of your business use I see a Q&A I'm just going to see travel expenses for Real Estate conferences yes absolutely travel expenses for Real Estate conferences that's a question from Naomi so vehicle deductions we'll leave it there for now and if we need to talk about this again during our Q&A period we can okay so how to capture your deductions this is where bookkeeping comes in to claim these

deductions you have to have accurate records and stay on top of this on a monthly basis do you remember that restaurant expense that you incurred in January of last year I certainly don't and you probably don't either most people miss this stuff and then they miss a tax write off so if you add all those individual expenses up that's hundreds if not thousands of dollars in tax savings that business owners Miss every single year so then you make sure that every single transaction is recorded with receipts saved and you

make any manual adjustments that are necessary like the loan payment interest that we talked about a couple of slides ago there's no sugar coding this it sucks it takes time it takes effort especially if you're doing this on your own and most especially if you're in a position where you've saved this for the entire end of the year most real estate agents that I talk to right now are basically out of commission every weekend from you know a couple weeks ago to the end of April 15th to try to get

this stuff slammed together quickly um and it's worth it to do it properly so that you can save money it's also really important to know that even if you work with an accountant who's going to be filing for you you just can't expect them to pull these transactions from thin air to deduct you have to make sure that they're all recorded and categorized properly giving them every single credit card and bank account statement every single receipt that they need to properly capture these transactions and deductions right okay

accountants don't want to do this for you they will maybe try if you've got a really good one or someone that's been in your family for a long time but most times they're going to ask you to hunt these down then they'll clean up and categorize so it's like your tax return is only as good as the information that you give your CPA so I'm not calling into question the skill set of your accountant at all it's more just the huge variance in information transfer on the work that you did to properly

describe how money moves in and out of your business and how your spending works so you're just either way you're still doing a lot of work if you don't have a book keeper you got to update your QuickBook so keep track of the spreadsheet download your bank statements every time and highlight the personal and business transactions submit invoices Etc and then the CPA will review and clean up at the end so I've got some questions for you if you do have a CPA that I want you to be asking your accountant to make sure that

they're maximizing your deductions but I see Emily has a question about receipts and I want to talk about that next okay so you have to keep every receipt you need receipts on hand everybody tries to get around this you don't need receipts to submit with your tax return but the reason that you need to keep receipts is in the event of an audit these receipts are what backs up the deduction claims right now it might seem silly because your credit card statement shows what you spent what you spent it on how much

and the date the IRS wants receipts or invoices as well it's just to create some protection in the event of an audit to back up your claim because if the IRSC is an expense for a restaurant and you don't have a receipt attached to it to show that you've been documenting this as a business owner they could easily say I don't really believe you I think that that was a personal business expense and then boom you're out the tax deduction so it's just not worth screwing yourself over in the long run um to not hang on to these

receipts so I recommend that you first off have a business bank account business credit card you run businesses even if you're 1099 contractor even if you think you only have like 10 or 15 expenses in a month you're saving future you the pain of having to go back through this and try to make stuff up and collect receipts that don't exist anymore most of bench's customers they either use like a Google drive folder a Dropbox there's a company that I really like it's called shoeboxed and shoeboxed

is basically there to replace your manual shoe box method of storing receipts it's a digital storage method it's specifically built for receipts they cool specifically for business owners of course there's a cost associated with it um but think of it like an investment in your own sanity versus just a business expense right business transactions that are happening on personal credit cards will get lost just don't do it you miss risking out uh you risk missing out excuse me on these deductions um and you you're asking for

more pay down the line when it's time to either you know you get audited and you've got to come up with something um or your accountant's asking for some proof or something like that if you don't have a business bank account set up already set one up now um I've got a recommendation for you yes Aon you can use pictures of receipts keep them take a picture submit them digitally to whatever storage uh method you're going to use whether that's shoe box or Google drive or whatever works for you but

digital copies are way better because first of all you can search through them at the drop of a hat you can send them all in one file um but also if the Sun hits a receipt we know that that information disappears right away and now I'm not saying that the irs's method is um efficient but it's their choice right if they do an audit of you the IRS is the one determining your deductions and you want to do everything you can to set yourself up for success as a realtor you don't have an EIN number so how can

we open up a business account um I highly recommend that you open an LLC that is something that that side can can help you with or you can talk to bench about um but also jacine asked uh how to get a bank account because you don't have an EIN number doesn't need to be a business specific bank account it could just be a separate bank account that you would do all your business transactions on the point of it is really just keeping all of that stuff separate so that you don't have to go back and separate it later and uh I want

you to check out relay if you do have an EIN number uh if you use that link to sign up for business bank account you'll get $150 from bench as a partner bonus if you set that up but truthfully bench as a company we don't care what bank account you use we just want it to be separated to protect your own sanity can I use my LLC for multiple businesses like real estate and Consulting for example so you can it would be like having two different revenue streams under one entity but to all my friends in the business that are

either already doing flipping or starting to think about it any time that there is Investments related to your Revenue like purchasing a home increasing the value through Renovations and selling it you need to keep that separate ideally it's in a separate entity all together the accounting style that's necessary to track capital gains and losses is different than what just an agent needs or just a Consulting Revenue needs um and there's just way more protection in having any of those investment properties under their own

llc's so that the rest of your wealth is protected and separate so again I'm not your tax attorney but that's generally the best route that we we see okay getting support this tax season before we dive in I want to acknowledge that we've covered a lot right so the IRS is a revenue generating organization there's an incentive in the form of taxes penalties and fees that come from the system being complicated and accountants have to spend years of training in order to conf confidently navigate this stuff the training that's

out there is really reserved for CPAs and accountants shockingly how to file your taxes and interpret the IRS code that changes every year is not something that's trained in school even though we all have to interact with this In Our Lifetime the sheer number of forms and deadlines how to figure out your estimated taxes what's actually needed for an extension how to bookkeep there's way too much to learn when your primary focus should be running and growing your business spending time with your clients

and then spending some time with your family and friends too so if you've put this off and you're feeling overwhelmed You Are Not Alone the system is rigged and it's critical for you to know how to get support I want you to have uh success whether you do it yourself with an accountant or you work with a bookkeeping firm like bench okay so oftentimes when working with an accountant this stuff happens in a black box you hand off all your reports and documents and then they work their magic and come up with a a tax

return you don't really have insight into the process so you need to make sure that you're booking a call with them and ask questions uh to make sure that they're truly maximizing your return so some questions that I like um I don't know why I didn't list this on here but ask your accountant how can I become your favorite client what can I do to make sure that you are able to maximize my deductions on time every year ask them that they'll give you a list and then you have kind of like a

to-do to work backwards from another question that's really important to ask is my current entity structure the best one for my business if you're making over like $40,000 a year as a sold proprietorship or a 1099 contractor it is really time to think about making some changes any other changes I should think about making this year what deductions did you not see in my books this year that are common for your other clients are there any other tax law changes or accounting standard changes that might impact me this next

year these types of questions will show your CPA that you're serious about making changes and it's going to allow them to see a return on the investment that they're going to make in you with their time too so um that screenshot this if you have an A CP and you have a meeting upcoming with them the next section is bookkeeper if you've got a bookkeeper I want you to be particularly cautious and particularly curious about the process in the United States there's no accreditation anyone can be a bookkeeper

which is great for Supply um but you got to make sure that you're protecting yourself by asking questions to get confident that they know what's best for you and are truly maximizing your returns you know did they capture your loan repayments did they capture those interest expenses that we talked about have they ever asked for receipts for your cash payments all that a bookkeeper can see on your bank account is an ATM withdrawal for cash they have no idea what you spent that on so if they're not

asking you for those cash receipts and you don't have a previously set rule with them about what your cash expenses are for it's kind of a good indicator that they might be missing some deductions right and again this is all to make sure that you're paying the right amount in taxes doing your due diligence is necessary okay the next group I'm going to speak two are my diyers okay some people love DIY they're confident in their accounting knowledge and if that's you all power to you that's amazing but my ask here is you

have to make sure that you're staying on top of the US tax code you have to make sure that you took some training in your DIY software right like going through hundreds of hours of QuickBooks tutorials online to be sure that you're doing it right and I want you to be working with an accountant who has agreed to do a full high quality review of your books so that you're not missing out out on deductions if you don't love it or you're not confident in how to do it accurately my recommendation is to

Outsource to a professional the stakes are just too high to risk getting these books wrong and paying for a bookkeeper is a 100% tax deductible expense under your business okay so if you are looking for support bench could be a great fit we do bookkeeping we do tax filing we do tax advice which means we can be that all inone bookkeeping and CPA Services um to help you pay the least amount in in taxes possible this is exactly what we do we have a professional team involved doing the books for you and like I said they'll file your taxes if

you don't have an accountant that you love um we are really close to the deadline now so we're not in a position to be able to do all of last year's books and file on time but we can walk you through filing an extension and then worked with you over the next couple months to get it all done accurately um and you know we're still the fastest in the Market at this short of notice um the best thing about bench for a real estate agent or an independent contractor especially is you have unlimited communication with them

there's a message feed that you get to use you can ask as many questions as you want and there's no extra fees for it you can meet directly with your bookkeeper meet directly with your tax professional we try to do these meetings you know monthly with the bookkeeper if possible but it does depend on your availability um but you should feel like you have access to your team if you're paying for them and that's something that bench could give you um a couple of things that make us different we will automate the dot

collection as much as possible we leverage technology to make sure that we can seamlessly receive all the information about your transactions um we want you to spend your time getting guidance on how to pay less in taxes how to set up yourself for success and what to um use these reports for to help you make critical financial decisions like when should I incorporate how should I treat my vehicle for business use maybe when can I afford to take on another loan um this is what we do for thousands of customers every

single day so we are North America's largest bookkeeping service that's our bread and butter um and if you're feeling overwhelmed I want you to come and talk to us so side community members always get 30% off of their first 3 months with bench but right now because you showed up to this webinar or you're watching the recording you get 50% off your first six months with bench so this calendar will book you in directly with the team and you can speak to them about your specific situation if you're not

sure if bench is the right fit you don't know if you're big enough to take on a bookkeeping solution we can help you make that decision we'll walk you through exactly what bench does how our bookkeeping solution would be impactful for you based on your situation um and if you don't end up working with us you'll at least Come Away with some concrete next steps on how to pay less in taxes so come and speak with us um but I want to migrate now over to some Q&A okay so I see a message in the chat from

Kelly you mentioned the ability to claim interest paid for an investment property as a deduction can the monthly mortgage principal payment be claimed as well so interest on business debt that is a tax deduction um when it comes to investment properties it totally depends on how you're going to turn around and use it so I don't want to give you advice that doesn't match your specific situation and anyone who's working in the investment property space especially flipping I really want you to have a

professional Tax Solution in place that's going to help you um you know make these decisions so uh when it comes to like monthly mortgage principle versus interest um it's it's just it's outside investment properties is outside of bench's scope um but we have a recommendation for you on a better solution for that if that's your main source of of Revenue um okay sylvana asked are there good apps to keep track of receipts and expenses we talked about that I'm going to um I answered this live but I'm going

to also just put shoe box as a great recommendation as well um okay travel expenses for Real Estate conferences absolutely that uh would absolutely be a tax deduction of course if there's personal travel um outlined in that you may need to make some determination about the expenses and the food purchases especially that you do include or don't um but those would be the two biggest things okay I see a question in here about uh the benefits of married filing jointly or single if you're a married couple caveat that every

situation is different right but typically we see that filing jointly with your spouse Nets you a bigger tax break this comes in the form of like education credits or IRA contributions but it also means that generally you'd be able to claim a bigger standard deduction if you file jointly versus separately this is especially true if you're a family with high medical expenses or only one of you um in that spouse coupling has a taxable income if only one of you has an income it's typically better to file together but

there are cases where filing separately is better and a tax professional is the best person to guide you through these scenarios sometimes in the first couple of years as you're parsing through your different assets um there can be you know higher tax um implications of that in the beginning and so you want to work with a tax professional in that transition okay I okay we see a question about home office let's talk about it so home office tax deductions um it's hard to do I'll tell you that right now um for

people who use the space for another purpose throughout the week you might not be able to write it all off okay so how home office deductions are calculated it's different depending on your entity if you are a sole proprietorship which a lot of you are if you have 1099 income or you're a real estate agent you can usually use the simplified method so you take the the total area of the home and the business portion so the home office specifically that you have you know specific for business use it's you

take that as a fraction and then you deduct any direct or indirect expenses for the property so direct would be specific to the business and that's 100% write off um that would be like you know your cell phone bill or something like this indirect utilities would be fractional based on that percentage that you uh your your full full square footage so usually a tax software or a tax professional can help you calculate this but it's like maximum up to 300 square feet at 500 $5 per square foot so it's a Max write off of

$1,500 right utilities would be a great example of an indirect expense because some of that is personal use and some portion of it can be attributed to the business okay so you need to determine what percentage of your home is dedicated as office space and then you multiply that by the applicable home expenses for that year it's portions of your rent your mortgage payments utility Insurance costs depreciation repairs um unless you are super sure in your calculations check this with an account okay a simpler method another method is

to use Safe Harbor that's the method that I mentioned earlier where it's like up to 300 square feet up to a maximum of $1,500 per year but if you use this method you cannot claim the deeci value of the portion of your home used in trade and business so if depreciated is really important to you and you know that your tax accountant set things up where you get a big deduction based on that then the Safe Harbor the simplified method is not going to work for you to claim home office expenses as a tax deduction it truly needs to be your

primary place of business so that portion of your home needs to be exclusively and regularly used for business so if you work from home only a few days a week this likely doesn't count I'm in my office right now sometimes on the weekend I do yoga in here I still write it off as home office deduction so it's uh it's not like uh someone's coming and watching what you're doing to try to test it but it's let's be honest about how we're actually you know working inside of our homes and

anytime that you can have a dedicated office space that's what you want to do if you're a home office is like inside a bedroom or whatever um there's just risks associated with that if you have a small square footage home you're going to be wanting to claim a small square footage of office space that you know actually could be a dedicated Office Space okay so that's for Sole proprietorships and C Corps and yes I know it's so confusing if you are an es Corp and you have home office expenses

like utilities stuff like this that you're paying for on a personal card you have to use something called an accountable plan it's a reimbursement plan and you have to settle these expenses where business reimburses you personally for these either monthly or quarterly um and the payments have to actually be reimbursed so we have to able to show the money movement activity from the business back to you to cover these expenses that you're going to be claiming it's really complicated to do um if you have no skill set in that um

so it's kind of like what's more worth it paying for professional advice to get this done which like an accountable plan for example is something that bench would put together for you if we were your tax professional or is it you know are you someone that has an abundance of time and you want to spend the research uh and do it yourself and you're confident that you can get it right okay so should you take the maximum amount of Section 179 expenses what are the benefits of taking less or more Section 179 expenses Emily I would love

to answer that question more thoroughly for you but it's just too nuanced student loan payments tax deductible Devon that it depends it depends on what the student loans were for um and traditionally that the student loan repayments like you get different Credits based on education it's not necessarily under the BS business so that's one where we would want your CPA who's doing your personal and your business tax return to weigh pros and cons of how you're going to write certain things off but typically a

student loan payment would not be tax deductible under the business because that was like a personal education expense there are some cases where the interest can get involved but again I'm not going to guide you wrong I'm just going to tell you you got to speak with a professional okay I see a question in here about cash versus acral bookkeeping most of you will use cash basis this is Cash in cash out when you make a sale of a home and that Revenue comes in from your commission that's when we recognize the revenue when you

pay for a latte and a business meeting as soon as that transaction comes in that's when we recognize it acral is needed in certain situations it's more expensive to do acral bookkeeping it's more complex it's harder to maintain but certain types of businesses require it the first is a publicly traded company which I'm very confident that none you run if you're publicly traded you need to file in a rule if you've earned 25 million or more of annual recurring revenue for the last three years you

need to file an acral I'm pretty confident that's not the scope here those of you who do Real Estate flipping you have to do acral acrel is what Ma uh tracks your capital gains and your losses on your investment properties it's totally different for your personal home ownership so don't worry about that on your personal tax return if you operate business that makes Investments improves the value or unfortunately accidentally reduces the value of that asset and has capital gain or a lost to report you need a cruel style

bookkeeping and if you're not sure just come and ask us our our reps will speak to you about that okay we're coming up on time I just want to reiterate I know how painful this stuff is I got to file my own taxes too um and I'm sorry that the system is this way but you deserve help you deserve support and side has pre-negotiated some discounts for you to make this easier and more accessible as a part of the side Community um and to drop that calendar link again and I highly encourage you to come and speak

with us that initial call five 10 minutes we'll make sure to see what you need um and if bench could be the good fit for you we will go ahead and make sure you see a software demo if it doesn't seem like a good fit for any number of reasons we will set you up with a recommendation on where to go forward whether that's taking care of it DIY for a little while longer while you build up some profit or finding an acrel solution that can handle the depreciation of those assets you can consider bench like step one that

conversation is a huge step forward in understanding your needs and then we can funnel you out either make an accounting recommendation that's not bench set you up with a different solution refer you out to a payroll company whatever you're thinking about we probably have at least a way to point you in the right direction so good luck to you this tax return Season and thank you so much for your time I really appreciate it all righty we'll see you soon

1. Everything You Need to Know About Filing (And Reducing) Your 2023 Taxes - YouTube

**URL**

<https://www.youtube.com/watch?v=au1md4UoJHI>

**Views and time:**

327 views 11 months = 30VPM

**Keywords:**

No keywords

**Transcript:**

all right welcome everyone thanks for joining bench and freshbooks today to kick off tax season together my name is Tia and I lead partner marketing here at bench and I'll be your host today as my colleagues and partners share what you need to know about preparing to file and reducing your tax bill this year so high five to you for taking the time to be here and educate yourself um because this can be tough stuff you know tax filing is complicated the IRS makes it that way and shockingly how to navigate

and do your taxes is not taught to every American student so our goal here today is to have you walk away more confident in understanding what is expected of you to help protect your business from fines penalties and errors but more importantly how you can keep more of your hard-earned money this year so just as some people file in I'm going to launch a poll here um just fill it out we're interested in what you want to learn the most about today and in future content um and while you're doing that

just a few quick housekeeping items so first is that if you are submitting questions for our experts today please use the Q&A function the chat can get busy uh we don't want to lose your question and on that note we'll be dropping a few resources in the chat throughout the session um so keep your eye on there and my ask is that you click on the link to open them up um but keep them for later so you can be present and learning from the uh presentation this morning okay I'll end the poll and share the

results it looks like most people are interested learning about tax deductions and credits um which is great because that is certainly on our agenda today so first we'll be starting with an overview of what's new this year um if you're doing your own taxes important to be aware so you don't make any mistakes um then we'll talk about some steps to getting filing ready and how to get organized then we'll talk deductions and credits and how to use those to lower your tax bill then we'll talk about how

if you need some support this year how bench and fresh books can help you out and then we'll end off with a Q&A so tons packed in here so it's my pleasure to introduce you to our speakers today who will be taking you through all this content um so Kya I'm going to pass it over to you to introduce yourself all right thank you so much um hi everyone my name is kamama Franklin I'm a senior Tax Advisor here at bench and an enrolled agent and since an enrolled agent is a designation that isn't discuss often let me just explain

further and take a minute to explain what the designation represents so an enrad agent is a tax practitioner that is authorized by the United States federal government um to represent taxpayers in affairs with the Internal Revenue Service so the United States Department of Treasury empowers en Road agents to represent taxpayers for any tax related duties such as tax preparation audits appeals or Collections and so just as a background uh this occupation is and has been regulated by Congress since 1884 and it

was originally established to investigate questionable and fraudulent claims that were submitted in the wake of the Civil War but now enrolled agents are used in tax preparation resolution and tax planning matters in their daily Daya job so it's nice to meet everyone and uh looking forward to the questions awesome and I'm Danny um I'm the program lead uh for accounting over on the freshbook side of things um I'm a CPA but based in Canada I'm based out of Calgary Alberta um and yeah looking

forward to talking about this upcoming tax season great thanks so much both uh before we jump in just in case there are some of you today joining us who aren't familiar with bench uh just wanted to introduce us so we're bench we believe that entrepreneurs you are the backbone of our society and that you drive our economy and we know that you didn't start a business because you're passionate about bookkeeping and doing your taxes so that's why we exist to give you the support that you deserve to

help you grow keep your back office organized and Pay Less in taxes so we help you do that by pairing software and a real bookkeeper who does your books for you every month and helps you prepare for tax filing and fresh books um is a accounting software it's on a mission to help small business owners grow and Thrive freshbooks is really easy to use um it's an accounting platform that simplifies invoicing accounting payments expense management and keeps everything in one place which empowers owners to

track and manage their day-to-day finances of their normal operating business awesome looks like we have some fresh books fans in the chat if you're a user of ADV your fresh books let us know happy to have you here today and just lastly here just quickly um a lot of people we get a lot of questions about you know what's the difference between bench fresh books why use one or both um think of it as fresh books managing and organizing your per client financial data so your bailable hours expenses invoices payments for each of your

clients um and then you let bench take all of that information and do your monthly books and your end ofe tax prep so as your business growths um and you add more clients and revenue streams it's helpful to pair fresh books and bench to make sure all that's organized for you so let's get started I'll pass it over to you Kamya to start walking us through what's new this year all right thank you so much well to get things started uh we're going to talk about a few tax law changes this year that you should aware of if you're

going to be preparing your own taxes so um what's new this year the IRS adjusted the standard annual changes that are done yearly such as the marginal tax rate brackets standard deduction things like that um the tax changes included in the inflation reduction act such as certain energy related tax breaks and certain tax credits such as the child care tax credit have also been changed um mileage rates for business miles driven uh was raised to 66.

5 cents per mile that's up 4 cents a mile from 2022 and the medical and moving mileage rates increased to 22 cents um the miles driven for a charitable purpose increased to 14 cents per mile now uh regarding the child tax credit though it's returned uh to its usual amount which was $2,000 for every dependent 16 and under uh unless the legislation currently being discussed as passed now the child tax credit goes back to being partially refundable if you fall under the guidelines of the additional child tax credit so um the child tax credit itself is

non-refundable but the additional child tax credit that you qualify for which Falls along the lines of the child tax credit may be refundable if you qualify okay um next um we're going to take a minute to talk about this corporate transparency act and this is something that's very new because it was enacted in 20121 uh and it was passed to enhance transparency in entity structures and ownership uh this is to combat money laundering tax fraud and other illicit activities and so uh this act uh came about because it was designed to capture

more information about the ownership of specific entities that operate in the US or try to operate or access us uh things um according to Congress the federal legislation providing for the collection of beneficial ownership information is needed to protect national interests and better enable efforts to counter legal act so that's the main point uh trying to make sure that that's protected and make sure that uh anyone who owns and has an entity in the United States um they know who the ownership is so now

there's a reporting requirement from a branch of the US Treasury called the financial crimes enforcement Network which we commonly call finan um this is part of the corporate transparency act that puts most corporations limited liability companies and entities registered or born in the US into the spotlight and so now they're obligated to reveal vital insights about their beneficial owners and beneficial owners are generally just the key individuals with at least 25% stake in the company and this started January 1

2024 and you know I've said all that but what do you really need to do you know what does this really mean for you so unless you qualify for an exemption and there are I believe there are 37 exemptions uh all corporations and limited liability companies will need to file this form between January 1st of this year and January 1st 202 20125 um when completing the form uh you are reporting certain facts about your company you know things like legal name if you have a deba um the state that conducts business

in the address jurisdiction tax ID number okay but what's most important is that you as the owner of the corporation or LLC business which they are naming uh and call calling these businesses reporting companies you'll be required to provide information for each beneficial owner and a beneficial owner is defined as any individual who directly or indirectly exercises substantial control over a reporting company who owns or controls at least 25% of the company um and I just want to know also that this form is not part of your

income tax filing it has to be done separately and so it's been done separately on the fencing website okay there is no Fe to file the form and so um how this breaks down it depends on when your LLC or your business or your corporation um came into uh fruition so reporting companies that were formed before January 1st of 2024 we'll have until December 31st 2024 to file the form and so now if your business was formed on or after January 1st 2024 so this year and before January 1st 2025 you have to file that form within 90

days um of re of receiving actual or public notice of the for formation so uh within 90 days of you forming the business and then any other reporting companies formed on or after January 1st 2025 will need to file this form within 30 days of receiving actual or public nosis of the formation and so for more information we're going to put uh reference in the chat okay all right so now um another thing we want to talk about uh is the 1099 K so this is you know important it's been going on for the last couple of years um

and uh the form 1099 K is a report of payments you receive for goods or services during the year so these are for third parties um that do credit uh debit or store value cards such as gift cards pay pay cards payment apps uh such as Zale um cash app things like that or online marketplaces uh they call those third party settlement organizations um but the 1099 K is a critical document for business processing electronic payments because it is sent to the IRS under the registered tax ID number of whom is receiving the payments and so what this

means is that the IRS will expect this form to be reported when filing your tax return and so many times this form will need to be reconciled with your bookkeeping to make sure that payments are not duplicated so okay you'll have this 1099 K form coming from you know maybe Zale maybe um if if you are accepting credit card somewhere and they're going to that third party uh organization is going to send your 1099 K to the government and let them know under this tax ID number this we're expecting to see this money

on there and so if they don't this is what prompt sometime know notices so it's very important that um if you do that um over the last couple of years though the IRS has been working to lower a threshold requirement for issues of issuers of the 1099 k um but this year it's still um at 600 and this is because they want to reduce potential taxpayer confusion that may be caused by the distribution of an estimated 44 million 10 44 million 1099 K forms that are potentially part of this um the $600 threshold for payment apps and online

marketplaces to report payments on form 1099 K is delayed for tax year 20123 and in turn the IRS decided to treat the 2023 year as a transition year and they're planning a threshold of $5,000 for tax year 2024 so at the end of 2024 uh you may receive a $199 K uh if you have transactions of $5,000 or more and um they're using the 2024 year as a phase in year to implement the $600 report and threshold that they're trying to do in the future um but once this 1099 cake threshold is reduced uh however they may

there may be tremendous implications for the small business owner that increases the need for more diligent bookkeeping so um just reiterating the fact that this 1099 K definitely needs to be reconciled with any Revenue that is reported for the year to make sure you're avoiding duplication of revenue and thus increasing your tax due um and the form will need to be shared again with your tax professional during the course of filing your return okay um so more for more information we also have a resource for

that to share that we will be putting in the chat so I know that was a lot but uh Danny go ahead cool awesome okay so another quick PLL um do you prep prare your taxes independently or with the assistance of a tax professional so you should see the poll pop up now we'll get everyone a second to answer okay so it looks like most people um use a tax professional um or an accountant and Then followed closely by most people pairing their own so 55% using tax professional about 28% uh using your own and then of course um

there's the small Port part of you that are considerate possibly using a tax professional so we'll get into you know some of the pros some of the cons um of you know either doing it yourself or with a tax professional so when we're filing taxes it all comes down to three essential steps the three steps are recording your transactions collecting your documents and filling out your report pretty easy pretty straightforward but once we start completing and looking into the three different steps that's when you figure

out well it's actually a little a little bit more complicated than just you know three easy steps right um it's a little more time consuming depending on if you're staying organized throughout the year or not um and you know depending on how your business is set up it can be complicated trying to do it on your own you know recording your transactions Rie reviewing bank statements and credit card statements trying to remember what each transaction was for trying to remember you know was this a business

expense was it not um either if you're collecting your documents by hand like on paper through files or electronically you have to consolidate everything so it could get overwhelming very fast um and all of a sudden it's not so simple so let's get into some tips to actually simplify this process um the tax system is specifically designed um to be complicated right um there's a lot of steps there's a lot of fors tons of deadlines different deadlines um depending on what business you are uh

classified as and as a small business owner who's more focused on running the business it's not really expected that you know it on your own so this is where the help of a tax professional can C it so tip number one recording your all your expenses this is a a very very important process here um you know it it can be timec consuming and it can be tedious but it is very important so that at the end of the year when you follow your taxes you're saving as much money as possible on your tax bill so recording your expenses um you know

using receipts ensuring you're saving those receipts rather than relying on your bank statements is very very important the first reason is because for expenses that occur late in the year um sometimes your Bank St statement will reflect you know that transaction when it actually cleared your bank account instead of when you actually made the purchase so a few of those expenses can roll over into the next year um where you actually could have been deducting it in the prior year another reason why we prefer um receipts over bank

statements is that bank statements alone are not enough to support a reasonable business deduction so if your business was ever chosen for an IRS audit um and you show them your bank statements their IRS is going to come back to you and say well this isn't enough to prove that these were business expenses um do you have receipts right so that's another reason why it's very important to keep these receipts as well um either digitizing them you know in today's modern world uploading them online

somewhere keeping them all in one place so that you can access them anywhere any time is very important some people still prefer to do it you know the old fashioned way keep them in files uh keep them you know a paper copy still possible but you know the risk of losing them or the risk of you know sometimes they get damaged um or the ink gets worn out and then you look at them in the year and you can't see them anymore so digitizing them is in my opinion probably the best way um and the last kind of tip here is

separating your business expenses from your personal expenses this is huge if you don't already have a separate business bank account I'd recommend setting one up immediately um you know if you are in the situation where you have one bank account and you're making business expenses and personal expenses out of it you're probably finding that you know at the end of the year at end of the month you have to sift through and figure out okay what was for my business what was for my personal and that can be a headache in itself so just

separating them out uh can save you a lot of time in the long run second tip getting organized creating a checklist for yourself um you know instead of going off every single form that you may need um because they differ based on your business type um you know each business entity each business type may have different forms which will also impact your deadlines as well you know one business deadline might be March 15th and another business might be April 15th um so this is why it's important to understand you know what your business

is classified as and if you don't know or if you're not really sure this is where the help of a tax professional can come in handy as well this is very very important because you know not filling out these forms on time not meeting these deadlines can lead to fines by the IRS um bench has a really great guide that spells out all the different forms um for all the different business entity types and the deadlines as well that'll be linking in the chat um feel free to click on it bookmark it um if you need to and

reference it at a little later time we're going to go over business deductions in a little bit here um just the heads up but uh bo go through keep pounding through a couple few tips to get organized so um extensions tax extensions are a tool that the IRS makes available to taxpayers who essentially that need a little bit more time to file your taxes um an approved extension application grants you an extra six months to get your taxes filed without occurring L penalties okay um while filing for an extension

extends your deadline for filing it doesn't actually extend you know the fact that you have to pay this money up front um if you don't pay like an estimated amount you're still actually going to acrew a lay penalty so that's one very important thing to keep in mind um usually what happens is you avoid this penalty by paying an estimated amount when you apply for your extension and then you have six months um you know once your extension is approved to file your taxes once that's all done then you

would either pay more or less than whatever your estimate was so very important thing to keep in mind and again we're going to drop another Link in the chat as well for how to file for a federal federal tax extension okay asking questions is a very very important tip um as well don't be afraid don't be embarrassed um to ask questions that's what tax Prof professionals are there for um you know ask about your possible deductions um ask about any recommended changes to your entity type ask about you know how

okay maybe I messed something up this year how can I plan uh for it next year so that I can maximize my tax deductions or maximize my tax return for my business for example NS Corp has great benefits like saving on self-employment tax um and P personal income tax but the caveat is you have to pay yourself as an employee okay that's one quick example that as a business owner may or may not be known to um and again this is where you know just asking questions asking your uh tax professional hey I heard this is true is it true yes or no how

can I maybe utilize something for my business um can really help you in the long run as well so the secret to filling out you know forms uh comes to regular bookkeeping right um there's essential reports that tax time profit and loss the general ledger sales tax summary you're basic accounting reports but it's important to note that these reports especially in freshbooks may not be super clean or may not really be of any value to you if you're not regularly bookkeeping every month or every two

weeks um or multiple times throughout the year you know if you're really only bookkeeping once a year and that's when tax time is coming when you click on any one of these reports right now it's probably a mess right so this is why it's important to make sure that you're maintaining this on a regular basis so that at the end of the year when you click on these reports it's clean you don't have to do any more work you know instead of spending hours in March or hours in February the little time that

you're spending over the course of the Year eventually add up and it's worth it in the end cool the third tip um that I want to quickly talk about is setting aside money for taxes now this is super important um you know if you're a business owner you may or may not have rent this problem before where you know maybe you owe a little more than you thought when it comes to tax time you're like oh crap well my cash flow isn't that high because I've currently spending money on other things right so

we always recommend following the 30% Rule and we also recommend creating a separate account maybe create a separate account put 30% of your income or 30% of your Revenue aside so that when tax time comes you do have that bank roll um just in case you know your taxes are a little more than you thought they'd be um there's also prepayments there's uh monthly plans as well yearly and quarterly payments as well that you can make and again you can set this all up with IRS or you can ask ask your account

as well they can help you out with this um just to make sure that hey you're paying your taxes on time and you're paying enough cool and I will lead it to Kya to talk about some deductions and credits for this year is that will reduce your tax bill so first we want to talk about what an a tax deduction actually is okay so a tax deduction is an expense you have that reduces the amount of your income before tax is calculated now tax deductions are important because because they lower your taxable income which also uh

reduces your tax bill at the end of the process so they could help you save hundreds maybe even thousands of dollars off your tax bill and so you know it just depends you know of course since we are in a uh country that uh is Progressive um if your income is lower then your tax is lower if your income is higher then your tax will be higher um but let's ask ourselves what's the difference between a tax deduction and a tax credit and so tax deductions reduce your income before determining tax and a tax credit reduces the actual tax you

owe dollar for dollar and can sometimes increase your tax refund uh certain refundable credits may even give you a refund even if you do not owe tax and so we always recommend working with an accountant or a tax professional so that you can possibly do tax planning in advance of the year so that um you can determine what's out there and then apply that to your tax situation to lower you know possibly your income and that will eventually lower your tax due um accountants are important in optimizing tax effici efficiency and

then at the end of the day um it's a good idea just to have someone you trust going through every deductions you know making sure the deduction is appropriate for your tax situation and it is saving you as much money as you can without being scared that you've incorrectly deducted something something and you know this is important because a lot of people if we want to make an example for home office for example people sometimes leave that off because they're afraid that this is something that they can't

deduct and now you know that's something that sometimes you can have what they call a safe harbor for $5 per square foot so there's less um paperwork involved um and so we just want to make sure you know that you're working with someone that can look at your total tax situation and make sure that um you're getting everything that you possibly can can um again an account also is important because they will be familiar with your software for instance freshbooks or for instance the bench uh internal bookkeeping system um we're

familiar with that and so we can offer uh options that if you were doing it on yourself it might be a little bit more difficult okay and so let's go over some examples of potential deductions or expenses you can have within your business um now first of all any expense uh that you take as a business deduction should be and considered ordinary and necessary and you will ask yourself well what does that actually mean and so an ordinary expense is one that is common and accepted in your industry and a necessary expense is one that is helpful

appropriate and it helps develop or maintain your business and so some expense categories that you ACC commonly see would be advertising and promotion meals um and insurance premiums so other um expenses would be uh vehicle use deductions contract labor depreciation um there there deductions for educational expenses related to business if you're needing to get additional um uh things education so that you can improve your your business situation or improve your um experience or improve some things with your business you can

do that um again home office deductions interest any interest on business loans loans themselves are not a deductible uh things on your profit and loss because that's considered a uh balance sheet item or liability but the interest that you take may be deductible uh as an expense in addition to that you can take legal or professional fees uh again we just reiterating you know speaking with a Tax Advisor a tax professional or an accountant for eligibility of these things to make make sure they're first

ordinary and necessary and something that you can take and again as uh Danny has alluded you want to make sure you have the receipts you want to make sure you have um actual contemporaneous um documents to support your deductions um in the case of an audit and so that's very important to go over those type of things with someone that is knowledgeable about it which could be your tax professional your accountant um and one thing about it we don't want you to feel bad um you want to take anything that is ordinary and

necessary that you can legally take uh don't know leave expenses on the table just because you're feeling bad about it or you're afraid that this is something that may get um you know denied if you're ever audited you want to be able to take it and IRS you know actually requires you to take any expenses that you have so um that's another way that a accountant or a tax professional can be beneficial in that case because they can um give you guidance there okay and uh again it's important to keep your detailed

records to substantiate claims and potentially avoid issues with the IRS um okay so we're going to share a link uh that has more information about uh this topic as well all right and so um now we're going to talk about how to capture your deductions okay um and again this is where bookkeeping comes in we spoke about this earlier to claim these deductions you'll need to keep accurate records and stay on top of your monthly bookkeeping I mean it's I understand is uh daunting is is very boring it makes

you sit down and focus you know you have to look at a lot of different things and gather things from a lot of different areas but it's vitally important um to have accurate records and so who remembers things for instance we're in January if you wait till June or December you won't remember that restaurant expense that you incurred in January speaking to one of your clients you know and so uh it's just best to top of Mind have it top of mind and do it top of mind so that way it's more accurate and

then you won't have that extra stress it's stressful when you don't have the information and um but when you have it and you can sit down for 10 minutes and you only have 10 receipts versus 100 at the end of the year it's less stressful so it's just best for everyone involved if we just keep up with our bookkeeping you know um we want to make sure that every single transaction from the year is recorded the receipts are saved it can be you know in a box it can be saved uh electronically which is better for you

electronically um so that you can uh refer to it as needed you don't have to you know be scared that it gets lost or uh the you know the writing comes off the receipts and things like that um and does take effort again but believe me it'll be worth it at the end even for the peace of mind if only for the peace of mind okay and lastly another reminder it's best to practice it's best practices to have a separate business account to make it Crystal Clear which transactions are for your business and which is personal um and we

recommend our partner relay Financial for all your banking needs and they also are online okay now um let's talk some more about tax credits I did allude to the child tax credit earlier um tax credits come into play after your tax bill is calculated uh tax credits reduce the amount you owe each dollar you have in tax credit counts as a dollar reduction to the amount of tax you pay and so all that means is okay we talked about deductions earlier um you have income here uh that you make it could be wages it could be

self-employment employment it could be uh a property that you own a short-term rental property um all of those things total up to your total income and then what happens is um any adjustments or any uh deductions that you have are subtracted directly from the income um to arrive at an adjusted gross income those things um are more deductions um then once your adjusted gross income is is determined um and then they also do a thing where your taxable income is determined after subtracting um other deductions we determine what tax record

you're at based on that adjusted gross I mean a taxable income um and that tax amount there is when a credit comes in okay and so that's why we call it reducing dollar for doll and so if you after determining what your um taxable income is and your tax let's just say to keep it simple $1,000 if you have have a $1,000 tax credit it will clear off your entire debt that's what that's what would happen okay and for more information about this we'll share an IRS Link in the chat all right go ahead to

theia Talia Perfect all right thanks so much Kia and Danny um I hope everyone here found this overview helpful and that if you are taking notes you have a nice little to-do list of things you can do to get organized and set yourself up for Success uh but if you're looking at that list and you feel overwhelmed you need some guidance uh that is okay you can book a call with one of us uh fresh books and bench are experts at tax time um Danny do you want to share a little bit about how fresh books helps out

people at tax time yeah so how freshbooks can help um for one it keeps all your reports in one place so the p&l the accounts aging report your expense report in voice report balance sheet all the reports that you need are kept all in one place in freshman okay um you can also it also helps you not miss an expense so if you're stressed out about keeping receipts or anything like that you can actually just snap receipt photos uh using the freshbooks app you can upload them on the go um and you can also connect your credit card

account or your bank account as well the fresh books that Imports it automatically and it makes sure that you know anytime you're spending money on that card gets imported and you're not missing anything um online payments fresh books is also or will also allow your clients to make payments through invoices online as well this allows you to get your money a lot quicker you know if you're receiving cash or check you have to go to the bank you have to deposit it if your clients are paying right through the software itself it

just automatically gets deposited into your account and of course invoicing um it makes it easy to log time if your you know uh service and your logging time or you're an hourly rate with a client of yours you can easily do this log your time let's say you worked for eight hours on a project you log that time send out the invoice all through freshbooks itself great and then if you're looking for personal Hands-On support to catch up your books or hunt down those deductions um come talk to us at bench

this is what we do we have a professional team doing the books for you um and we can even file for you if you don't have an accountant that you love um so we can take all that off your plate every month not just a tax season um so you have everything you need to make confident business decisions all year and then we also have a tax advisory arm so wonderful advisers like Kya here um all those questions that Danny and Kamya were talking about today to ask tax professional um they're there for that support both at tax time and

year round so whether you need to learn about fresh books bench or both um we'll put a link in here for everyone um come talk to us even if you don't end up using us a Tex time we want to make sure we can point you in the the right direction and to all the um fresh books clients who are here today thanks for being with us um freshbooks and bench are closely partnered so if you do want to add on bench um that can all be built together and your account manager can help you out with that all right so it's time for

questions uh just give me a second here and I'll get organized and start to look through those if you have any um or if you put a question in the chat instead of the Q&A um please throw those in there and then we are going to take the next 20 minutes or so uh to get through as many as we possibly can all right let me take a look at what is in here okay here is a question do AC transfers need to be recorded on a 1099 K form Kya are you able to answer that one a transfers um I'm assuming um an a transfer that you're speaking about

would be a bank transfer meaning uh from your financial institution uh for instance uh Morgan Chase or uh whatever bench uh I'm sorry whatever uh Bank uh you have and if that's the case then those will not be recorded on the 1099 K because from what I understand uh those are you know internal to the bank but now if it is um 1099 K are for thirdparty uh people so that that would be um vinmo Zale um so if you have something coming into Zale you know if you have a Zale uh that somebody uh did for you via your bank account account

that may be on there so if you're speaking about Zale specifically from being an A type on your bank account I would say yes those those will be if they are um business in nature if it's for a business uh bank account I would say yes they will be but if it's just a regular a transfer meaning that you enter your bank or you enter your treasury management um platform or a portal uh and you just making a transfer to something um a wire I don't think that would be included but if you're using the Zale platform within your uh

portal then that would be part of one of the transactions hopefully that makes sense thanks so much we got a few 1099 questions so I'm going to try and lump those together um another one is how is 1099 K different from 1099 NEC um and if they need to issue the 1099 NEC do you need to do them electronically okay so the 1099 K is specifically for electronic type of transactions uh they're trying to capture um those type of things Al together so like I said third party organizations uh are required and um

right now it's $20,000 or more so that's what would be on a 1099 k a 1099 NEC is specifically for non what they consider non-employee compensation so those are people that are uh considered self-employed you're working for someone or a company that are that they have not deducted any taxes for you have you are classified as an independent contractor or you uh and then typically independent contractors are considered self-employed and so any of those things over the amount of $600 uh th that individual or that

company uh if you're not as long as you're not a corporation um will need will issue you a 1099 NEC um as far as uh do they have to be duplicated generally you will not a person if you are having that information on a 1099 K shouldn't receive a 1099 NEC for it but I've seen a lot of cases where this is the case and so that's why you know I kind of reiterated just reconciling and making sure that you understand what are on each forms and making sure that you have all of the forms available uh before

filing your tax return uh just to make sure that everything is captured and there's no duplication hopefully that makes sense okay thanks yeah if there's follow-up questions or comments feel free to throw those in yeah um okay let's get to some questions there some questions about tax deductions um here's one is personal health care tax deductible for llc's um corpse single owners personal health care uh well it depends on um which entity you are the deductibility of it so generally uh there is a uh uh

health insurance deduction for uh LLC businesses or people that are so Proprietors uh it's a uh deduction uh on your personal return uh that that you can do now if you're a corporation um you know it it it varies and so generally corporations if you have employees you you have to have at least uh I believe one employee in order for you to be able to offer Group Insurance and something like that would be deductible as an expense to the business to the corporation um now if you're S corporation um it just depends on how

your the insurance is set up you know sometimes you know people have health reimbursements accounts uh other times uh a person I've seen where people um purchase insurance uh health insurance and um they have the business pay the insurance but it may be a personal um personal policy if that's the case something like that uh and you don't have any other employees you may be a 100% shareholder in as Corporation something like that um would be actually added to a W2 and then something like that you also would be able to deduct as

a deduction or as an adjustment to your tax return so it just depends uh in many cases yes health insurance is a deductible expense great thanks um for meals and entertainment how do you decipher if it's 100% or 50% deductible it's back to 50% for 2023 that um that rule or that tax law uh it was just based on the tax cuts and jobs act I believe that's the act that allowed that but that was only temporary um uh back when it was 100% % deductible um for 2022 um it had to be hot food you know like restaurant food uh not something

that you could uh you know just buy or have a meal but you know those things would be 100% deductible but for 2023 it's back to 50% meals are 50% deductible as they were in the past and entertainment is still not deductible so if you have an entertainment expense that include a meal you would have to break out the meal for it to be something that's deductible okay right thanks another deduction question here can you explain how the 20% pass through business deduction works and how to claim it the 20% pass through deduction are

you talking about for the for a state Julie if you're out there you have if you have a followup in the chat um and then we can maybe come back to this one come back to that yeah okay um here's another one all of my transactions from my bank and credit card are automatically imported into fresh books all I do is attach receipts to them would there be any benefit in getting a bookkeeping service um Danny do you wna yeah speak to this um that really depends on you know you um the bookkeeping service would

essentially help you with categorizing those expenses right so if you're confused as to either what's deductible what's not um how to categorize them properly like what should go towards costs get sold what should be considered an operating expense um then yeah I would say it's probably beneficial but if you are already aware of how to do that yourself and you know you're comfortable with how you're categorizing your expenses then I would say no right so really depends on your own situation

and how comfortable you are with getting those expenses categorized properly I think I I believe what um I believe it was um the person who asked about the uh 20% deduction I believe she's talking about the qualified business income deduction uh qbi uh if that is the case um it it has to do with um as long as you're you're within withow the threshold you can take a 20% deduction um on the net profits that you have on your uh for your business and so there they there are uh requirements depending on what type of entity you are

uh and there are uh maximum uh amounts that you can um make per per year uh their phase out limits especially if you're a service business so that would be something that we would discuss on the TCH advisory call just to make sure that you qualify but generally that's how it goes great thank you okay you're welcome all right one from Alex here as a sole proprietor I have issued an invoice on December 31st 2023 and got paid on January 4th 2024 where does that money get accounted for 23 or 24 that would essentially depend on what

basis of accounting that you're specifically doing if you're in a cruel base of accounting then on a cruel base your revenue is recognized essentially when you send out that invoice no matter if money was received or not so if you're on a cruel basis of accounting it would be considered Revenue in 2023 if you're on a cash basis of accounting which means that you're recognizing your Revenue when you've actually received money in hand then it would be considered in 2024 so it depends if your business is on an acral

basis of accounting or a cash basis of accounting thanks dannie right here one from Miriam um Kia I guess this one's for you if bench is used for tax filing for businesses do they also do personal since I'm a single member LLC Yes actually um something like that uh it would just be your personal return because a single member llc's are considered uh in tax as so proprietorships are on the schedule C so yes we will be doing your personal as well because it be in one package now if you are a different entity uh we do

offer uh personal filings for those individuals as well um so you would need to you know get with our customer support department and they can see you know what offerings we have but yes we do uh we can complete a personal return for you thanks all right another uh bench question here I guess I can answer this one um do we only use fresh books or do we integrate our services with an ex existing QuickBooks online account so a bench we actually have our own proprietary software that our own bookkeepers use um so you don't need to

have a previous account if you did have a previous account from QuickBooks or something it's very easy to bring the data into that um but we do it all on our own software which is really easy to use you just hook up all of your bank statements any online vendors uh even your payroll um and all that just comes right into the platform and our bookkeepers will take care of it for you every month um okay another one here from Alex um does the 30% rule I'm assuming 30% rule the setting aside money um include

self-employment tax generally I mean uh of course um if you're a single member LLC and you you have uh income over the 30% threshold as a uh you know ordinary income and maybe at the 37 or higher than a 30% interest rate then you might want to set aside more but you know that's just a general rule to what to set aside uh to make sure that you have at least something um put us put up for uh the year you know um what we do on the tax advisory calls is we like to speak quarterly about you know things such as estimated tax payments and so if

we are able to you know take a look at your previous quarter and take a look at what you have already submitted as estimated tax and look at your prior year to see you know what your estimated requirements are um and if we see the 30% may not be enough then we may suggest to um you know make it a little bit higher but uh just as a general rule I would say yes uh that that's a good rule of thumb awesome okay um there was some follow-up questions um Danny you were talking about you know depends on if you're cash based or crel based um

someone's asking how do you determine if you're cash based or ACR based um well it's that decision is actually up to you um and your accountant if you have a tax professional I'd recommend asking them and how they're essentially filing your taxes and creating your reports um if you don't have a tax professional um then essentially it's up to you um you know there's no requirement really for a company to have to be on a cash basis or you have to be on an acral basis that just completely up to you and how you

want to run your own business the important thing here is just being consistent so if you choose to be in the cash basis that means that all the reports you produce have to follow that same rule uh vice versa if you choose that your business is on an acral basis of accounting um then that means again that all your reports have to be on the acral side of counting great okay another similar question in this band dny I'm just tossing these to you since this is your area now um okay so a scenario someone's

painted I have a customer that paid me $25,000 in 2023 I received a check on January 3rd 2024 for $55,000 dated December they've issued me a$ 1099 NEC for 3 thou 30,000 if I'm Cash basis how do I account for this so I'd recommend first going over this with your accountant just to be sure um but I believe here that so if you're on a cash basis again it's really cut and dry when you're in a cash basis so whatever you've received by the end of December 31st 2023 is what you have to consider your revenue for 2023 so if

I'm reading this um so yeah if you received a check in 2024 for uh $5,000 but it's dated in December 2023 if it's dated 2023 um then that would be considered your Revenue in 2023 because it's dated for that date right so technically you actually received it um on that date in 2023 but again with specific examples um of you know how do I recognize in revenue or when to recognize it um I would highly recommend you just run that by your account just to make sure amazing okay another um tax deduction question here for whoever

wants to grab it am I able to write off a vehicle payment at all um well okay it depends first of all uh you know what entity you are I mean generally if you're LLC business if we take the single member LLC business because that's what we've been talking about the most um you know there are two ways to deduct something like that um and you know even if it's not in the business name and it's just in your personal name you you may be able to still deduct uh the payment so it depends on first of all if it's a lease

or if it's a purchased vehicle depending on how you want to take it um now you and there are two ways to take it you can either take the mileage um per year of course you want to capture what the mileage is in the beginning of the year and you want to capture what the mileage is at the end of the year and sometimes that's by you know getting the oil change or getting some type of document that shows mileage because that's what is required um and then you want to just have a log that records all of the um business mileage

that you've done you know all the business driving that you've done now commuting is not deductible so you can't take if you're going from your home to uh an office or something like that that's considered commuting you you weren't able to deduct that but if you are you know making uh appropriate business uh travel using uh your vehicle you can do mileage or then or either you can take actual expenses now you still need a log for actual expenses as well but um the deduction is captured by

taking you know the uh things related to the vehicle uh gas uh depreciation so if the car is a purchase uh there's a value of the vehicle and you can depreciate it over its useful life of course you may know that you know over the last couple of years due to the tax cuts and jobs act they've allowed for you to um take more depreciation you know for bonus depreciation in certain years um but generally you can do it over its useful life so you those type that type of thing is deductible uh you know tolls parking

things like that and so that's generally how you take it um I do see where people ask about well if I make if this car is a purchase can I deduct the entire purchase amount something like that you would not be able to like divide the the the monthly payment by 12 if you a single member LLC you would um take and what's really probably I want to call a substitute is the depreciation because it's dividing it over useful life so you wouldn't take the the payment that you make and and just put lump that payment in that's not how it

works you would need to you know we would need to know what the value of the car is at the time of purchase and then take that over as useful life or if you taking the bonus appreciation whatever you can get legally and then capture all of the uh rest of the expenses related to the travel that you're doing in that um vehicle that you're wanting to use for business um or you can do the mileage other entities uh such as like s corporations or corporations those particular businesses um you kind of do you know it's different depending on uh

who who has title to the uh vehicle so if it's a business vehicle you know the whole thing can be uh deducted and it's only actual expenses uh if it is a personal vehicle that you're using inside of your corporation it's suggested that you um use an accountable plan to be reimbursed for any type of uh personal related expenses that you use for uh a personally titled vehicle so I mean it just depends but you know it is possible so hopefully that makes sense thank you all right a few more minutes here we'll try and uh go through

few more questions thank you everyone for submitting it's it's so great um that you're sharing these with us okay um we said that interest is tax deductible would business credit card interest be deductible um yeah I mean if if it's a business um uh credit card then yes the interest would be deductible now if this is something personal um like if you have a personal card and you're trying to deduct it as a uh itemized uh deduction something like that would not be but it on on the lines of business

and it's a business credit card then yes any interest that you um have would be deductible thanks great question um okay what aspects of the business counts as depreciation generally that's um any assets uh again assets are categorized based on its useful life okay you have like I was speaking about earlier vehicles but you also have things such as equipment uh you have uh Furniture uh you know pieces of big production depending on you know what type of business you have all those things are categorized uh you know when

you make purchases some people decide you know based on if it's the purchase price is less than a certain amount of money let's just say for instance something is only worth $1,000 you may choose to elect to take that whole expense in one year and so something like that could be totally deductible you know kind of almost like an expense but it's it's an asset and it can be depreciated but then you have other things that are you know more expensive something that may cost $220,000 a piece of equipment or something like that you

know you would uh speak to your accountant about it's useful life and then you would that's something like that again I'm you know speaking in general terms but um can also take things like bonus depreciation for things like that and it may be deductible more in the first year but um anything that you would consider an asset will you should be able to depreciate and not only physical assets but uh things such as uh you know non um in intellectual property and things like that um can also be um used in that

capacity and it's called something different other than appreciation but I'm just saying um you can deduct those as well so hopefully that makes sense great thank you kamama and thank you Danny as well um we are at the top of the hour here thank you everyone so much for participating and submitting your questions um if we didn't get you a question and you still have it please book a call come talk to one of us uh doesn't matter if you and if using bench or freshbooks we want to make sure you

(1:00:19) get your questions answered uh and feel good about your your path forward and I'll just end on the note that I love this comment in the chat that Laura shared um that her main takeaways you're she's not crazy for thinking business taxed St is ridiculously over complicated that sums this up so nicely that is complicated it's tough you're not alone in thinking that uh and if you need support you know where to find us thanks so much for joining us today everyone

1. Get bookkeeping off the brain | Bench Accounting - YouTube

**URL**

<https://www.youtube.com/watch?v=cO0m4fwM8co>

**Views and time:**

60K views/1 year = 5,000VPM

**Keywords:**

No keywords

**Transcript:**

No transcript(Music)

1. Is the HEALS Act Good for Small Businesses? | Everything You Need to Know - YouTube

**URL**

<https://www.youtube.com/watch?v=HBaXibPh59g>

**Views and time:**

514 views/4 years ago =11VPM

**Keywords:**

EIDL, PPP, Paycheck Protection Program, SBA, Small Business Administration, COVID-19, Coronavirus, small business, small business finances, HEALS Act, HEROES Act, CARES Act, Congress, Republicans, Democrats,

**Transcript:**

hey what's up everybody it's brennan from bench back with another exciting update this time i'm going to be talking about the heels act because the republicans introduced this bill on monday july 27th and while it's considered the heels act as a singular bill it's actually made up of multiple bills and provisions addressing different needs that arose due to the pandemic now three of these bills are actually going to be directly affecting small businesses the first is the continuing small business

recovery and paycheck protection program act there's the american workers families and employers assistance act and supporting america's restaurant workers act probably realized that none of these really have a good acronym to work off of so i'm going to save all my breath for saying these titles in full as we digest them before we dig into this it's important to remember that this is just a proposed bill and it is still being debated none of this is official some of the details are still vague and we do not

suggest taking any action assuming that this will be made into law as we were reporting on it in fact there isn't even a timeline on when this could potentially be passed so just keep that in mind now that it is in mind let's get into digesting this hefty bill now as i mentioned before there's actually multiple bills that are under this umbrella of the heels act i'm going to focus on three components of it that pertain to small businesses the first i want to go into is the continuing small business recovery and paycheck

protection program act the paycheck protection program is going to get a second round previous recipients are going to have the opportunity to apply for a second time so long as they meet the new eligibility requirements the employee account is going to be stricter now limited at 300 employees and they must demonstrate a 50 reduction in gross revenues in the first or second quarter of 2020 relative to the same quarter in 2019 as i mentioned before there is still a lot of ambiguity around these terms and this is one of those cases where

that ambiguity comes into play because we don't know how they're going to be asking people to prove that reduction in revenues based on the previous year now some of these funds are going to be restricted for businesses that have fewer than 10 employees and similarly to what they did in that second round of ppp funding they're going to allocate a certain amount of this funding to community lenders to try and make sure it gets into the smaller community businesses they're also going to be some changes that pertain to both current ppp

loans and future ppp loans while the 60 40 rule is still in place the non-payable costs are going to be expanded to include new operational expenses operations expenses such as business software or cloud computing services that pertain to payroll accounting or hr just to name a couple of examples are going to be forgivable expenses property damage expenses stemming from vandalism or looting from 2020 events will also be covered cost of supplies if that contract was in place prior to february 15 2020 which is defined as what's

essential to business operations we're expecting to see further guidance if this bill is passed will be an eligible expense for forgiveness and finally worker protection expenses such as equipment and renovations to comply with safety guidelines as described by the cdc or another governing body will be a forgivable expense as well so you now have more opportunities to use those loan funds on forgivable expenses the application for forgiveness as well will also be easier loans under 150 000 will require no supporting documents

instead they will be required to sign a document saying that they use the funds as outlined in the terms and conditions in good faith if your loan amount was between 150 000 and 2 million dollars you will still have to complete the forgiveness application in full and provide it to the lender for review however again no supporting documentation will have to be provided finally the last portion of the csb rapppp act again such a mouthful that pertains to small businesses is going to be additional funding towards the sba's 7a loan program

which sounds to be like they're going to be introducing a new loan focusing on seasonal businesses or businesses that are based in and operating in low income areas there's going to be a similar requirement to the second round of ppp funding which is that you're going to have to prove that fifty percent drop in revenue which again we don't have any clarity on how they're going to define that yet the loan as it stands today would be a 20 year term with a one percent interest rate and payments would be deferred for at

least two years however seasonal businesses would be limited at a one million dollar amount loans can be used for operational costs including acquisition of capital and the refinancing of previous debt which makes this significantly more lenient and beneficial than the eidl the second act i want to talk about is the american workers families and employers assistance act the biggest update here is that the pandemic unemployment assistance would be extended to october 5th 2020.

however as the bill stands today the additional 600 a week would be reduced to 200 a week a second round of stimulus checks would also be distributed again set at twelve hundred dollars and the employee retention tax credit would be increased from fifty percent to sixty five percent a tax credit would be introduced for businesses hiring employees that were previously qualified covet 19 unemployment recipients that would be for 50 of the first 10 000 in wages in the first year of employment so as you can tell from that tax credit in the reduction in the pua bonus of

600 to 200 they're trying to make it more feasible for places to rehire and have more financial incentive for employees to return to work finally a tax credit on payroll taxes to cover covet testing the purchases of protective equipment and cleaning supplies would be introduced the amount would be based on headcount and self-employed individuals would be eligible for this credit as well however since they don't have payroll tax it would be imposed on their self-employment taxes a provision would also be introduced

that would allow companies to provide financial assistance and healthcare benefits to their contractors without having to convert them to employees the last act that affects small businesses is the supporting america's restaurant workers act and the small change is that business meal deductions will be increased from 50 to 100 for meals paid or incurred before january 1st 2021.

of course all this information is incredibly important but what comes next simply put now we wait these bills are going to be debated and picked apart especially with the election coming up as we expect to see this being fought hard over as both parties try to make a statement of support to their voting demographic through this bill we've noticed that the democrats are trying to make more individual based relief whereas the republicans are focusing more on business-based relief there is bipartisan support around the ppp replenishing however there's debate around the

additional options that would be included in this act for instance the democrats are pushing for more grant programs as opposed to loan relief so we're going to keep our eyes peeled for any updates and make sure to pass them on whether it be right here through our youtube channel or through twitter follow us on twitter where we're gonna be trying to break this information as soon as it happens whether it's sharing news stories providing updates on the bill anything that we think is important for you to

know about as always thank you so much for joining us and stay tuned for more updates as they arise

1. PPP Forgiveness for Independent Contractors and Sole Proprietorships | What You Need to Know - YouTube

**URL**

<https://www.youtube.com/watch?v=v9hbkj7T51k>

**Views and time:**

75K views/4 years ago=1563VPM

**Keywords:**

ppp, paycheck protection program, cares act, covid-19, small business, small business finances, eidl, sba, small business administration, loans, small business loans, government loans, coronavirus, stimulus package, loan forgiveness, ppp forgiveness, ppp loan forgiveness, independent contractors, sole proprietorship,

**Transcript:**

hi folks this is oscar from venture counting and in this video i'm going to be talking about the forgiveness part of the paycheck protection program but specifically as it relates to soul props independent contractors self-employed and so essentially folks that don't have employees now we just did a related video on ppp forgiveness a sort of broader video which we'll link in the description below but that was kind of talking about payroll costs all the stipulations about rehiring employees that sort of stuff so

this video is is going to be tailored actually just for folks who don't have employees sole props etc before we dive in yes this is my coronavirus haircut done in the kitchen over the weekend so do excuse that but so ppp forgiveness obviously the best thing about the loan really is that it can be fully forgiven it can be turned into a non-taxable grant you don't have to pay it back as long as you use it in the right way now for business owners who have employees there's obviously rules on where you can spend that money

it has to be on eligible payroll costs and other approved expenses at bench accounting we've actually produced the checklist if you fall into that category we we again will link that so you can download it below but we've done a checklist of all the things you can spend money on and how you want to document that as you're going along but what's the situation if you don't have people on payroll and obviously the big chunk of this loan is supposed to be spent on payroll um but if you are a sole prop and you

don't fall into that category it's probably a bit confusing now just to kind of rewind the tiny bits in order to kind of understand how this forgiveness part works we've got to think about how top props actually you calculate the loan um to begin with and this is actually based just to remind you of the of your 2019 net income or net profit as reported on line 31 of the schedule c that you'll file it doesn't necessarily have to be already filed just at least prepared and you have the numbers on there

now in order to work out your average monthly payroll cost of sole propriety you take 2019 net income divide by 12 and multiply that number by two and a half and that is the maximum amount that you can borrow it's essentially 10 weeks worth of your 2019 net income now when you get to the forgiveness part of the loan so you've had this loan granted you've received the funds you've got to the end of the period now the way this works is it's a thing called owner compensation replacement and this

was according to recent guidance from the treasury now what owner replacement i sorry owner compensation replacement is is essentially of those 10 weeks worth of 2019 net profit eight weeks can be considered automatically forgiven so to give you an example if you have um you've got a reported number on your 2019 schedule c on that line 31 so the net income line you divide that net profit total for year divided by 52 to reach that weekly amount multiply that by eight and that is the amount of the loan that can be

automatically considered for given so you don't need to do anything you don't need to record the fact that you've been paying yourself on some sort of payroll or anything like that that can be automatically forgiven what you'll need to do is have your schedule c take it into your lender and show what your 2019 net profit line was and then you can kind of do the calculation from there and so that is a huge development for sole props it's going to make the whole forgiveness part a whole lot easier now you will be left

with the other two weeks with net profits and that's the money you can spend on things like mortgage interest payments utilities um rent and lease agreements those sort of things provided they sort of have a have a business purpose or you can attach it to the business the the big question here that a lot of people have is that what if i don't have those things sort of attach the business name that i can actually spend the rest of the money on and and the simple answer there is you can just pay it back now

to remind you the terms of the loan it's a two-year loan with a a really low interest of of one percent um by far the the lowest loan you're going to find the lowest interest rate loan that you're going to find out there so paying it back especially if you pay it back early even there's no prepayment penalties or anything like that so you're going to have accrued a very small amount of interest so there's really no problem just with paying that back at the end of the eight week period if

you don't have anything more to spend that money on so that's essentially it remember it's the it's your 2019 net profit divide that by 52 multiply that number by eight and that if you're a sole prop is the amount of your ppp loan that can be automatically considered forgiven thanks very much for watching

129.How the 2018 Trump Tax Reform Affects Your Small Business - YouTube

**URL**

<https://www.youtube.com/watch?v=TUG_gZ7Z3hY>

**Views and time:**

4.5K views/6 years ago = 63VPM

**Keywords:**

tax, taxes, tcja, trump tax, business, finance, accounting,

**Transcript:**

No transcript (Music)

1. Online Bookkeeping for Your Business | Bench - YouTube

**URL**

<https://www.youtube.com/watch?v=9zyuv45dMn8>

**Views and time:**

3.4K views/6 years= 47PVM

**Keywords:**

online bookkeeping, bookkeeping, bookkeeper

**Transcript:**

if you run a business any business you need accurate up-to-date bookkeeping it shows you where your money is going it's the first step in filing your taxes and it allows you to make smarter financial decisions that help your business grow but spending hours doing your own books every month isn't the best use of your time that's where bench can help we do your bookkeeping so you don't have to the minute you sign up we pair you with a dedicated bookkeeping team real people who care about your business each month

your team imports and categorizes all of your transactions and turns your data into accurate financial statements simple visual reports keep you in control and show how your finances are performing you can use bench on your computer or your phone and if you ever need help or have a question about your books it's easy to get in touch our bookkeepers work in-house at bench and they respond to messages within one business day get started at bench CO and let us take bookkeeping off your hands forever [Music] you