

It's Tax Time!

It may not be April 15th yet, but it is never too early to start planning for tax season. Adopting sound bookkeeping practices and organization will save you time and money when it comes to income tax preparation. The less time your tax preparer has to spend organizing your box of receipts or calling for additional information, the more efficient the process will be. Here are a few suggestions that you can do year-round:

1. Request your CPA to prepare a 'financial forecast' tailored for your particular situation. They may be able to recommend money saving tips that you can implement before the end of the year. Planning ahead will help avoid last-minute headaches.
2. Keep details of transactions such as stock purchases and sales. You will need the cost basis to determine if you have a profit or loss on sales.
3. Organize receipts. It is time-consuming for your CPA to sort a year's worth of jumbled receipts.
4. Purchase a journal to track business mileage and expenses. Our office provides mileage logs to clients upon request.
5. Make sure to gather and package all of your tax information together before delivering it to your tax preparer. The use of a checklist for items such as receipts, bank statements, income and interest statements, charitable contributions, etc. can help you ensure that you have all the necessary documents.

If you have any questions about tax planning and/or preparation, please contact our office. We offer bookkeeper training and services at affordable rates.