

Comparison of taxes owed Self Employment Tax filing vs. Incorporated Tax Filing

File as Self Employment example*

	U.S. Individual In		MB No. 1545-0074 IRS		not write or staple in this space
	1, 2015, or other tax year beginning	, ending			ate instructions.
Your first name and ini	5al	Last name			al security number
MIKE		SMITH			2-11-1999
# a joint return, spouse	's first name and initial	Last name		Spouse's	social security number
Home address (numbe	er and street). If you have a P.O. b	x, see instructions.	Apt. no.	Mak	e sure the SSN(s) above
251 N MILW	AUKEE AVENUE		1025	🔺 📥 and	d on line 6c are correct.
		a foreign address, also complete spaces below (see i	nstructions).	Presider	tial Election Campaign
BUFFALO GF	OVE, IL 60089			Check here	if you, or your spouse if filing
Foreign country name		Foreign province/state/county	Foreign postal code	a box below	\$3 to go to this fund. Checkin will not change your tax or You Spouse
Filing Status	1 X Single 2 Married filing jointly				son). (See instructions.) If
•			child's name here.	child but hot	your dependent, enter this
Check only one box.			Lualifying widow(er) with	doosadooi a	bid.
DOX.	and full name here.				
Exemptions	6a X Yourself. If som b Spouse	eone can claim you as a dependent, do not cheo	ck box 6a	•• }	Boxes checked on 6a and 6b 1
	c Dependents:		(4)	Xifchild	No. of children
	e sependente.	(2) Dependent's (social security number re	 Dependent's unit 	der age 17 alifying for	on 6c who: • lived with you
	(1) First name Last nam	· · · · ·	chil	d tax credit see instr.)	 did not live with
If more than four	<u>in ristname</u> Lastnar	90			you due to divorce or separation 0
dependents, see				H	(see instructions)
instructions and check here				H	Dependents on 6c
				H	
	d Total number of exer	intions claimed			Add numbers on lines above > 1
		, etc. Attach Form(s) W-2			
Income		ach Schedule B if required		. 8a	
		Do not include on line 8a 8b	1		
Attach Form(s) W-2 here. Also		Attach Schedule B if required.		9a	
attach Forms		96	1		
W-2G and		dits, or offsets of state and local income taxes		10	
1099-R if tax was withheld.				. 11	
If you did not	,	loss). Attach Schedule C or C-EZ		. 12	20,000
get a W-2,		Attach Schedule D if required. If not required, cl		13	
see instructions.		s). Attach Form 4797		14	
	15a IRA distributions .	15a b Taxa	ble amount	15b	
	16a Pensions and annuit	es 16a b Taxa	ble amount	16b	
		valties, partnerships, S corporations, trusts, etc.	Attach Schedule E	. 17	
	18 Farm income or (loss). Attach Schedule F		18	
	19 Unemployment comp			19	
	20a Social security benef	its 20a b Taxa	ble amount	20b	
	21 Other income. List ty	pe and amount		21	
	22 Combine the amount	s in the far right column for lines 7 through 21. Th	his is your total incon	ne Þ 22	20,000
	23 Educator expenses				
Adjusted	24 Certain business exp	enses of reservists, performing artists, and			
Gross	~	t officials. Attach Form 2106 or 2106-EZ . 24			
Income	25 Health savings accord	Int deduction. Attach Form 8889 25			
	26 Moving expenses. Al	tach Form 3903			
	27 Deductible part of se	If-employment tax. Attach Schedule SE 27	1,41	.3.	
	28 Self-employed SEP,	SIMPLE, and qualified plans			120
	29 Self-employed health	insurance deduction			A. \$51
		drawal of savings			Weu.
	31a Alimony paid b Re		1	aly	6612
	32 IRA deduction		cal	le' a	20.
		deduction	10	OWEY	-
	34 Tuition and fees. Att	sch Form 8917		- III	
	34 Tuition and fees. Att	ach Form 8917	L L	_	wed: \$3,720 ; \$672
	34 Tuition and fees. Att 35 Domestic production			36	1,413 18,587

File as a Coporation example*

§ 1040		tment of the Treasury-Internal 5. Individual Incor			2015	OMB	No. 1545-0074	IRS Us	a Only-Do	not write or staple in th	is space
For the year Jan. 1-Dec.	31, 2015, o							See separate instructions.			
Your first name and in	Your first name and initial							1	Your social security number		
MIKE	ame and initial Last name SMITH							322-11-1999			
If a joint return, spouse's first name and initial			Last name					5	Spouse's social security number		
		eet). If you have a P.O. box, see	e instructions.				Apt. no.			ke sure the SSN(s) a nd on line 6c are corr	
251 N MIL							1025	i			
		Ind ZIP code. If you have a fore	ign address, also	complete	spaces below (se	ee inst	ructions).			intial Election Camp	
BUFFALO GI		IL 60089	Faccing	ere leeste	taka (nau unit-	- 1	Terrine restal on	1	ointly, war	e if you, or your spouse it \$3 to go to this fund. (Checking
Foreign country name			Poreign	province/si	tale/county		Foreign postal co		refund.	w will not change your to You Spo	ouse
Filing Status	12				4					rson). (See instruction	
-	2 [3 [Married filing jointly (ever	-				d's name here. 🕨		rd but no	t your dependent, en	ner mis
Check only one box.	3	Married filing separately. and full name here.	Enter spouse's	SSIN apo	≫e 5 [_	ifying widow(er)		nadaat	ahid	
DOX.	6a	X Yourself. If someone	oon alaim varva		÷				pendent		
Exemptions	b	Spouse	can ciaim you a	is a deper	ndent, do not c	HOUK I	box 6a , , , ,		· }	Boxes checked on 6a and 6b	1
		Dependents:		<u> </u>				(4) X	if child	No. of children	-
	2			(2) social	Dependent's security number	(3) relat	Dependent's ionship to you	quality	age 17 Ving for	on 6c who: Iived with you	0
	(1) First	name Last name			,			child to	instr.)	 did not live wit 	th
If more than four	1.1									you due to divord or separation	0
dependents, see instructions and										(see instructions	
check here										Dependents on 6 not entered abov	
_											
	d	Total number of exemption	s claimed							Add numbers on lines above ►	1
Income	7	Wages, salaries, tips, etc.	Attach Form(s) W-2					. 7		_
meonie	8a	Taxable interest. Attach §	Schedule B if re	quired .					. 8a		
Attach Form(s)	b	Tax-exempt interest. Do			L	8b					
W-2 here. Also	9a	Ordinary dividends. Attach							. 9a		
attach Forms W-2G and	ь	Qualified dividends				9b			_		
1099-R if tax	10	Taxable refunds, credits, or offsets of state and local income taxes						. 10			
was withheld.	11	Alimony received				• • •			. 11		
If you did not	12	Business income or (loss)						N É	12		
get a W-2, see instructions.	13 14	Capital gain or (loss). Atta				i, che	ck here		13		
	15a	Other gains or (losses). A IRA distributions					amount		15b		
	16a	Pensions and annuities .					amount		166		
	17	Rental real estate, royalties		S comor					17	20,0	000
	18	Farm income or (loss), Att							18	20,	000
	19	Unemployment compensa							19		
	20a	Social security benefits .			Ьт	axable	amount		20b		
	21	Other income. List type an							21		
	22	Combine the amounts in the		mn for lin	es 7 through 21	. This	is your total in	come	▶ 22	20,0	000
	23	Educator expenses				23					
Adjusted	24	Certain business expense				T					
Gross		fee-basis government offic	ials. Attach Fo	rm 2106 c	x 2106-EZ .	24					
Income	25	Health savings account de				25			_		
	26	Moving expenses. Attach			-	26			_		-0
	27	Deductible part of self-em				27			_	e.(990
	28	Self-employed SEP, SIMP			-	28			_	. ed: 2	
	29	Self-employed health insu				29				OW	
	30	Penalty on early withdrawa				30			613	Owed: \$ d: \$729	
	31a	Alimony paid b Recipie				31a		6eC		d. *	
	32	IRA deduction			· · · · · ·	32			Ο ^Λ	T	
	33	Student loan interest dedu			· · · · · · +	33		F	-		
	34 35	Tuition and fees. Attach F				34			-		
	35	Domestic production activi Add lines 23 through 35		Attach Fo	ann 8903 [35			. 36	1	0
	36	Add lines 23 through 35 . Subtract line 36 from line 2		adjuster	d arose incom			· · ·	36 37	20,0	000

*These examples are for purposes for this presentation only. Actual results may vary.

Common business expenses Every business owner should be tracking!

Account	Description					
Automobile Expense	Fuel, oil, repairs, and other automobile maintenance for business autos for non-hired business autos					
Bank Service Charges	Bank account service fees, bad check charges and other bank fees					
Business Licenses and Permits	Business licenses, permits, and other business-related fees					
Computer and Internet Expenses	Computer supplies, off-the-shelf software, online fees, and other computer or internet related expenses					
Depreciation Expense	Depreciation on equipment, buildings and improvements					
Insurance Expense	Insurance expenses					
Interest Expense	Interest payments on business loans, credit card balances, or other business debt					
Meals and Entertainment	Business meals and entertainment expenses, including travel-related meals (may have limited deductibility)					
Office Supplies	Office supplies expense					
Payroll Expenses	Payroll expenses					
Professional Fees	Payments to accounting professionals and attorneys for accounting or legal services					
Rent Expense	Rent paid for company offices or other structures used in the business					
Repairs and Maintenance	Incidental repairs and maintenance of business assets that do not add to the value or appreciably prolong its life					
Small Tools and Equipment	Purchases of small tools or equipment not classified as fixed assets					
Telephone Expense	Telephone and long distance charges, faxing, and other fees Not equipment purchases					
Utilities	Water, electricity, garbage, and other basic utilities expenses					
Ask My Accountant	Transactions to be discussed with accountant, consultant, or tax preparer					

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