

DaleTax - Utah Valley's Premier Tax Accountants

The DOs and DON'Ts of Business Accounting

DOs

- *Keep track of all income received*
- *Have all subcontractors fill out W-9's before paying them*
- *Issue 1099's for all subcontractors paid \$600 or more during a calendar year*
- *Use a bank that returns check images WITH the statement*
- *Keep all Bank Statements and business credit card statements*
- *Keep monthly bookkeeping records*
- *Pay yourself a fair wage subject to self-employment tax during a calendar year (S-Corporations only)*
- *Obtain a business license in the city in which you operate your business*
- *Keep all receipts for purchases*
- *Keep an accurate mileage log for all business miles*
- *Transfer money from your business account to your personal account for your personal expenses*
- *Pay your \$15 renewal fee with the Department of Commerce every year*

DON'Ts

- *Don't take the family to Hawaii as a business expense*
- *Don't Purchase vehicles in the business name that are not more than 50% business use*
- *Don't buy personal items out of the business checking account*
- *Don't pay for everyday living expenses directly out of the business checking account*
- *Never pay your mortgage out of the business account*
- *Don't ignore letters you receive from the Taxing Agencies*
- *Don't file your taxes late*
- *Don't take money out of the ATM from your business checking*
- *Don't take cash out of your deposits*
- *Don't forget how important it is to meet with your accountant in January*