

Dear Kenneth Steinbuch:

Congratulations!

Your entity formation documents are ready.

I have provided PDF files of your Articles of Incorporation, MTM Election, LLC Operating Agreement, Resolutions to Open Trading and Bank Accounts, and EIN Confirmation Letter. If you decide to make the elections, you must make the MTM election within 75 days of formation of the entity. You keep the elections (if made) with your LLC's books and records; you do not file them with the IRS.

You keep the Operating Agreement with your LLC's books and records. The resolutions to open bank and trading accounts are yours in case the broker or bank requires such a resolution.

The EIN is your permanent number and can be used immediately for most of your business needs, including:

- Opening a bank account
- Applying for business licenses
- Filing a tax return by mail.

However, it will take up to two weeks before your EIN becomes part of the IRS's permanent records. You must wait until this occurs before you can:

- File an electronic return
- Make an electronic payment
- Pass an IRS Taxpayer Identification Number (TIN) matching program.

If you need to make changes to your organization's information, you must do so in writing and mail the information to the address provided at <http://www.irs.gov/file/article/0,,id=111138,00.html>.

Opening a bank account in the name of the LLC is optional, but it does lend credence to the fact that you are operating a separate entity.

Opening a trading account in the name of the LLC and transferring your trading assets into it is **mandatory**.

S-Corp tax returns are due **March 15th** and individual and partnership tax returns are due **April 15th**. If you file an extension with payment of taxes due, you have additional time to file. For S-Corps and partnerships, the extended due date is **September 15th** and for individuals it is **October 15th**.

### **S-Corporations Only**

If you are a brand-new S-Corporation you are required to pay a “reasonable salary”. The frequency at which you pay your salary is up to you (biweekly, monthly, quarterly, or annually). You will file quarterly and annual payroll tax returns. We have a relationship with ADP to offer all Trader Tax CPA clients discounted pricing on outsourced payroll services. If you would like more information on this kindly let us know to set, you up with our rep.

If you plan on setting up a Solo 401k-Traditional or Solo 401k-Roth retirement plan (or both) we have an active trader representative at E\*TRADE that helps guide our trader tax clients through setting up the plans. If you would like more information on this kindly let us know to set, you up with our rep.

Please let me know if you have any questions.

**Best regards,**

**Trader Tax CPA LLC**

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