

Title:

10 Ways To Reduce Tax Burden For Your Small Business

Word Count:

942

Summary:

An ideal lawyer will not just have a string of impressive credentials or gold lettering on his door. He or she will be caring, concerned, and devoted to their work. You need to think carefully before laying your trust in a lawyer after all in some cases your life, future, money or property will be in his hands.

Keywords:

Legal Advice Forum, legal advices, legal information, lawyers, laws, tax, legal insurance

Article Body:

An ideal lawyer will not just have a string of impressive credentials or gold lettering on his door. He or she will be caring, concerned, and devoted to their work. You need to think carefully before laying your trust in a lawyer after all in some cases your life, future, money or property will be in his hands.

Apart from doing extensive research to short list possible lawyers you must ensure that there is not conflict of interest, that you understand everything the retainer agreement states, and that you have checked the references and details regarding the practice.

You will know the lawyer you have chosen is the perfect one if:

1. He makes an effort to spend time to understand your case himself. He will not assign a legal assistant to take facts of the case down.
2. From experience and knowledge he will know what is relevant and what is not. He will set aside and ignore irrelevant facts, opinions, and personal emotions that cloud the case on hand.
3. He will insist that the footwork for the case be done thoroughly. All facts must be checked for accuracy and solid arguments jotted down with backing of earlier rulings.
4. He will not just focus on the problem at hand but examine the problem

from all sides. This will create a complete picture highlighting all factors of relevance and the different ways one can approach the case.

5. He will use his foresight and anticipate moves by the opposition or opinions of the jury or judge and plan way ahead. Like a master chess player he will plan the case not by the day but by many hearings ahead.

6. He will not waste time beating around the bush or create verbose statements—many words strung together which look impressive but mean nothing. He will insist that the case and its arguments be clearly stated.

7. He will be self-disciplined, thorough, and self confident. Courteous at all times he will respect you as well as all the staff who work for him.

8. He is recommended by not just his friends and relatives but by other professionals of good standing and from his field.

9. He will not just present to you his victories but be happy to tell you why and how he lost certain cases.

10. He will lay the cards on the table and tell you clearly whether your case stands to win or loose. He will not claim that winning is guaranteed. He will be honest and upfront about his opinions and advice.

The bottom line is that the lawyer must be worthy of your trust. Use your inborn instincts and don't go by the lawyer's good looks or fancy car or office. After all it is competence in law and in court that is of essence to you.

Everyone worries about taxes and looks for ways and means of reducing the tax burden. When you have a small business of your own you must up date your knowledge of tax laws that pertain to "small businesses." As a business owner you must understand clearly about accounting systems and tax planning. Sit down with your accountant and plan on ways of maintaining business expenses, filing receipts, planning on "tax saving" investments, and a strategy for running the business in the most beneficial way.

Did you know that:

1. According to law you can reduce your tax liability by hiring family members to carry out work in your business. Pay your children and spouse to perform assigned duties. This way you can shift from higher tax rates to lower ones.

2. Consider hiring independent contractors instead of employees. You will

save on payroll taxes. However ensure that you meet the IRS's criteria.

3. Think about "deferring income" postpone receiving money to January instead of December. This means that payments received will be up for "tax" calculations a year away. However ask your accountant's advice as the benefits are dependant on profit and losses for the year and your corporate legal structure.

4. Take advantage of tax deductions allowed for charitable donations. Make donations in November or December instead of January so that you can include the donations for tax deductions in the current year.

5. Maximize your expenditure on equipment and office supplies. Buy in advance for a quarter and use the tax deductions allowed in the current fiscal year.

6. Include expenses of business related travel in the current year.

7. Pay all bills due before the end of the year. Payment to cell services, rent, insurance, and utilities related to the business can be included for accounting and applicable tax waivers.

8. Plan a retirement plan and make payments before the end of the year. This will reduce your income for the year and proportionately the tax due. Be sure to check on the limits. Plan a feasible and beneficial strategy with your accountant.

9. Be sure to deduct from your taxable income money paid to licensing fees, businesses taxes, and annual memberships to businesses related organizations. Be sure to deduct interest paid on borrowings for running the business and related fees. Insurance premiums paid to insure the business office and machinery are eligible for tax deductions. Make a list of your memberships and check which ones are eligible for tax deductions.

10. Check whether you have deducted management and administration expenses as well as money spent on maintenance and repairs of equipment.

Decide whether a cash accounting system or accrual one will benefit your business. The tax deductions are different depending on the system you use. When setting up your small business take the advice of a tax and accounting professional as to which accounting system would be most suitable.