

7 Tips to Help Small Business Owners Avoid Costly Tax Errors

Great tips for your year-end checklist!

It's nearing the end of 2013, and for small business owners, it can be the busiest and most stressful time of the past 12 months. A checklist seems to have been created for just about everything. One that small business owners will want to be sure not to overlook is a Year-End Tax Preparation Checklist.

"Cash is king for the small business owner and if important tax prep is neglected it could hit your cash flow," said SurePayroll CEO and President Michael Alter. "Even minor errors can result in costly fines and penalties. Small business owners are experts in their fields. They shouldn't be expected to be experts on the tax code. Some quick tips can help protect you from unnecessary fines."

[SurePayroll](#), a leading provider of online payroll services to small businesses nationwide offers 7 important tips to keep in mind as 2013 comes to a close.

Checklist for Year-End Small Business Tax Prep

1. Confirm the accuracy of all W-2s. This is critical. Make sure to account for all wages, verify employer and employee data and social security numbers and account for any terminated employees. On W-2s even the most simple typo can cause a rejection resulting in penalties and fines.
2. Confirm that Year-to-Date reports reflect the accurate deferred compensation plan type and verify employee contribution amounts.
3. Ensure contributions to any type of retirement plans, including 401(k) and 403(b) do not exceed maximum amounts.
4. Verify that FUTA deposits have been made and whether any credits apply.
5. Verify all independent contractor payments have been properly accounted for on the 1099 MISC.
6. [Maximize Reimbursement Expenses](#): Ensure eligible expenses to be deducted are properly entered into the business accounting system.
7. Hiring a qualified veteran before Dec. 31, 2013 could qualify your business for the Work Opportunity Tax Credit. The maximum tax credit available varies, for more details on the WOTC tax credit visit the [IRS WOTC tax credit page](#).

A bonus tip for 2014: Get ready for next year's payroll taxes. Verify the employer state unemployment insurance tax rate, taxable wage limit and deposit frequencies for each state for next year – they could change so business owners need to look for any tax notices to that effect.

847-676-8420 ext. 7248

lori.bolas@surepayroll.com

About SurePayroll

SurePayroll is the trusted provider of easy online payroll services to small businesses nationwide. Whether a business has 1, 10, or 100 employees, SurePayroll delivers peace of mind by combining innovative, industry-leading technology and personalized support from an award-winning, U.S.-based customer care team. SurePayroll also provides private-label and co-branded services for accountants and banking partners as well as offering efficient online solutions for managing 401(k) plans, health insurance, workers' compensation, employee screening and more. SurePayroll is a wholly owned subsidiary of Paychex. For more information, please visit www.SurePayroll.com. Follow us on [Twitter](#) – Circle us on [Google](#) – Connect with us on [LinkedIn](#) – Like us on [Facebook](#).

About Paychex

Paychex, Inc. is a leading provider of payroll, human resource, insurance, and benefits outsourcing solutions for small- to medium-sized businesses. The company offers comprehensive payroll services, including payroll processing, payroll tax administration, and employee pay services, including direct deposit, check signing, and Readychex®. Human resource services include 401(k) plan recordkeeping, section 125 plans, a professional employer organization, time and attendance solutions, and other administrative services for business. A variety of business insurance products, including group health and workers' compensation, are made available through Paychex Insurance Agency, Inc. Paychex was founded in 1971. With headquarters in Rochester, New York, the company has more than 100 offices serving approximately 570,000 payroll clients as of May 31, 2013. For more information about Paychex and our products, visit www.paychex.com.