Monday, July 17th 2023

WSH TODAY

Latest news and bulletin updates

Issue #Q223

Jonathan Wells, President

The scoop of the day

The latest updates

Hope you all had a good 4th of July holiday. Here at the office, while we have been enjoying some much needed down time after the tax season, we've also been extraordinarily busy!

Between staying up to date with IRS regulations and our softwares, we've had our hands busy. A lot of you were affected by QuickBooks Desktop eliminating the ability to process payroll, so we transitioned you into our payroll system. Others are transitioning from sole-proprietorship to an s-corporation entity, which in itself presents it's own challenges. Meanwhile, our ERC clients who have been patiently waiting for the tax credit, have slowly started to receive them, and we keep taking measures to ensure that those who are still waiting get them sooner than later. Also, expect amendments for these tax credits! Per the IRS, the tax credit will affect the income from the year that it corresponds to, not the year you receive it. Expect this conversation when you receive your ERC!

We are still hard at work with the ever-present goal of improving our services and office practices. This summer we are welcoming to the team an intern, Jaxon Blackstone, which will be with us until he heads back for his 2nd year of college in Duluth. In early fall, we will be including a new apprentice to the team, Stephen Cox. Speaking of apprentices: we congratulate our apprentice and bookkeeper Kyle on passing his EA test!

I look forward to seeing you soon. Tax planning is right around the corner!

Very yours truly,

Jonathan Wells

2022 Tax Season Feedback from you!

Why all the changes? By Dania Medina

As you already experienced, this past season brought with it quite a few changes, and naturally there was some resistance but overall, it was a success, thanks to you! We are growing and with growth comes some growing pains, as we explore and evaluate new procedures that will help us achieve just that. Reducing the organizer, encouraging the use of the vault and increasing our communication with you prior to your appointment, were some of the changes. Though we will carry on these changes to the next tax season, based on your feedback we have made some tweaks here and there.

We reiterate, all these changes are in the effort to grow our company and improve our practice and relationship with you, our client. We'd love for you to continue to join us and be part of this journey of growth with us for many more years. Until next tax season!

Let's talk about Bookkeeping!

Why keeping your books accurate and up to date is important.

As our business client list grows, we are looking to simplify your life and ours. When it comes to the books, we are happy to help. We've been slowly introducing bookkeeping services into our firm, and it has proven time and again that having control of the books just makes for a smoother ride come tax time.

It is essential that at the end of the calendar year, you know just where your business stands and we can't stress enough the importance of good bookkeeping practices. Whether, you choose us to do your books or have your own trusted bookkeeper, you, as the business owner should make it a point to ensure that the books are kept up to date.

During our fourth quarter business tax planning meeting, we'll look into your books to calculate an estimated Profit & Loss statement as well as get an idea of what the outlook of your return will be, so we can get an idea of what changes, if any, we can make now to positively affect that outcome. Our Bookkeeping services are offered by Kyle Gerlach, our newest apprentice, and overseen by all our senior accountants. The rate is $60 per hour, averaging about an hour a month after the first month, where we clean up and bring the books up to date. Accounting work is billed at $250 if there's no engagement. Ask our front desk for more details!

Is Your Side Hustle a Business?

We can help you with that!

By David Armstrong

As we cross over the halfway mark through 2023 (crazy right!?) I want to bring education and attention to our clients around income from side hustles. These past few years, it's increasingly become more of a norm among our clients to have one. So, the question is; does this activity need to be considered when I do my taxes? The answer is yes.

A side hustle is – for all intents and purposes- a business in the IRS' eyes and therefore considered to be a sole proprietorship. Sole-Proprietor in this form is no different then you operating the business under your name making it very simple to run and report on. A sole-proprietor being tied to your personal taxes results in one of the highest possible tax rates and a more likely path to audit. The most important thing to remember is keep track of all your expenses related to the operation of this business. We can't stress that enough!

If you reel at the thought of paying more taxes than you have to, we can help! Call in to make an appointment so we can go over how we can make changes to your entity structure to save you money once your revenues exceed $50,000. You can visit our website and watch our 20 minute webinar that could potentially save you thousands even tens of thousands of dollars per year.

Tax Deadlines

Add to your calendar!

Know when to file your personal or business taxes, as well as when to submit your estimated payments!

Page 2

ERC News

We are still waiting.

It's a time to practice patience! It's coming, it's just taking the long route!

Page 2

Tax Planning!

Starting October 2023

Get ready to hit the ground running for the new year 2024! Is it too soon? Nope!

Page 2

Fun Facts about the WSH Fam!

By Dania Medina

You've seen us, maybe even interacted with us, but did you know...?

Page 2

Dania Medina

Tax Deadlines

Add this to your calendar and never miss a date!

September 17th, 2023 — Estimated Tax Payment for 3rd Quarter Due Date
File S-Corp and Partnership returns that have been extended

October 16th, 2023 — File Individual, C-Corps, Trusts & Gift Returns that have been extended.

Oct. 2nd - Dec. 22nd — Business Tax Planning with WSH (2hr meetings)

November 15th, 2023 — File Non-Profits returns that have been extended.

January 16th, 2024 — Estimated Tax Payment for 4th Quarter Due Date

January 31st, 2023 — W-2s due to employees by this date
1099s due to contractors by this date
Only contractors who are sole proprietors, unregistered whom you have paid over $600 for services, during the current tax year need to get a 1099

PLEASE GET US YOUR BUSINESS DOCUMENTS AS SOON AS POSSIBLE!

Still waiting for your ERC credit?

The wait might be worth it!

It's coming! We have clients that have been waiting over a year to receive their money, and others who've already received it, but know, it does in fact come!

Know that we have received all the delivery receipts from when we sent the correspondence in, so it's just a matter of time. Unfortunately, we don't have a way to get an update on the status of your application. However, your patience will be rewarded, as it is expected that the IRS will pay interest on your ERC for the time waited.

Mr. Jerry Wells

Life in the east coast!

Still going strong! Jerry will continue to meet with his clients via zoom meetings from his home office in Florida. During this upcoming Tax Planning Season, plan ahead for your meeting with Jerry, you'll want to allow at least two hours with him, keeping in mind the time difference!

In his spare time you can find Mr. Wells enjoying the lovely Florida weather as he goes for a round of golf or for a joy ride on his bike!

Welcome to the WSH Family! Fun Fact-

Jonathan, the leader of the pack, has been working in the field for 25+ years. He's our resident expert in multi-state, multi-owner and foreign income tax. He's passionate about golfing in the summer and hockey in the winter. At home he has a beautiful wife, 3 babies under 3, a chicken coop and two pups to keep him busy! Bentley*, has been his loyal tax buddy for 6 years. (*pictured)

Jamie, is our lead in payroll and accounting. She has been with WSH since before it was WSH, since 1988 to be exact. A legend in her own right! She has 2 rescue dogs and 3 rescue cats at home, which she cares for alongside her husband. She also enjoys visiting craft fairs in her free time!

Kyle is our newest apprentice, and is coming into his 1st year with us this month. He's our fulltime Bookkeeper, as he completes his preparation to join the accountants as a tax preparer. He has a culinary arts degree and was a chef for 12 years. Also, he loves owls!

Dan has been with the company for over 10 years, making him the 2nd senior accountant in our office. But did you know that he was a disco dance instructor in the late '70s!? Be sure to ask him about the good'old days. These days he prefers golfing, hunting, and spending time at his son's farm in Iowa with his wife, daughter and his golden retriever.

Dania is in her second year with us covering the front desk and anything in between. In her spare time, she's elbow deep in flour and sugar, baking treats! She also enjoys being outside in the summer, reading a book, doing any outdoor activities, traveling and crafting!

David is our junior accountant and has been with our company for around 5 years building his client list. He also provides tech support to our office and clients on our software. In his free time, he enjoys bike riding, golfing, the cabin life and good music.

Business Tax Planning '23...

...is right around the corner!

This year we will be opening the season on October 2nd.

As it is each year, our goal during the business tax planning meeting is to forecast your company's tax return outcome at least 6 months in advance, so you can budget, plan, and prepare accordingly. The idea is to fix what needs fixing now, to improve the overall final outcome. Besides running those final numbers, we'll go over business strategies for the upcoming year. We will also discuss retirement plans, current tax law changes and asset acquisitions you may be considering.

We will also have the opportunity to discuss open enrollment questions related to Health Insurance and Health Savings Accounts (HSA), as well as Year End Reporting timelines for closing and 1099s.

How do you prepare for this meeting? To make the most from your tax planning meeting, first, you want to make sure your books are up to date and reconciled. Second, you'll want to have a really good idea of what the final numbers for the rest of the year will be. If your business varies too much in the last quarter, we want to meet you closer to the end of the year, if your numbers are pretty consistent year-round, we'd like to meet you in October! Finally, you want to allow yourself around 1.5 – 2 hours for this appointment, so we can carefully go over everything.

If you are on Engagement with us and you have Tax Planning included, you will automatically get scheduled and notified, no additional charge.

If you are not on engagement or don't have this option included, the fee is $900 for 2hrs. Note that there tends to be a return on investment that greatly surpasses this amount, with the knowledge and strategic planning involved. However, it remains your choice! Call us to get on the schedule, the sooner the better, as the calendar gets booked quick!

WSH Tax Accountants & Business Consultants

7300 France Ave South, Suite 215, Edina MN, 55435

Summer Office Hours

Monday – Thursday 8-5pm
Holidays Closed.
Accountant hours vary.
Meetings by appointment only.
Please call in to make
your appointment or schedule online!

Contact Info

Office: 952-881-5343
Fax: 952-881-1437
Email: frontdesk@wellstax.com
Jonathan.wells@wellstax.com
Dan.weiss@wellstax.com
Dave@wellstax.com
Jerry@wellstax.com

Payroll Questions?
Jamie@wellstax.com
Bookkeeping Questions?
Kyle@wellstax.com
Visit our website & our social platforms!
www.wellstax.com
YouTube