

# TAX STRATEGIES: *THE BASICS*

## Course Outline:

1. How tax deductions work
2. The value of a tax deduction
  - a. Calculate *your* income tax rate
    - i. Federal and State
    - ii. Social Security and Medicare tax
  - b. Total tax savings
    - i. Could result in a 43% tax savings
    - ii. \$1000 laptop example
3. Quarterly self-employment tax
  - a. Defining and calculating
  - b. Filing: Forms 1040ES and 40ES
4. What you can deduct
  - a. Startup expenses
  - b. Operating expenses
  - c. Capital expenses (ex: office furniture and equipment)
5. Agents who lose money:
  - a. Turning a business loss into tax savings
  - b. Business vs. Hobby
    - i. Prove business status to the IRS
    - ii. Consequences of a *hobby*