



Lancaster CPA & Associates

Real Estate Tax Experts

Tiffany Pittman, CFE

CONSULT:
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Tiffany: \$150 per hour

(S-Corp, Partnership, LLC, Real Estate Investing)

Pat: \$200 per hour

(Like Kind or 1031 Exchange, Self-Directed IRA, Retirement Planning)



Referrals

MorrisBlankAccounting.com

256-489-7900

www.PatriciaLancaster.com/Realtors

Realtors + Taxes



Lancaster CPA

At minimum, 32% of your profits will go towards taxes. Learn how to reduce your tax bill and audit-proof your business.

W2 versus 1099: What it means to be an SBO

The IRS considers you an Small Business Owners, SBO. This means new tax strategies and responsibilities.

Deducting and Tracking Business Expenses

Deducting travel, meals, entertainment, and 40+ other deductions. Ensure no business deduction is missed with our FREE Realtor's Expense Tracker.

Filing Estimated Taxes

Learn how to file quarterly estimated tax payments required once you're profitable.

Mileage & Home Office Deduction

Maximize your car, mileage, and home office deduction.

Recordkeeping & The IRS

Audit-proof your small business.

Choosing the Best Business Entity

Choose Wisely: Sole Proprietor, Partnership, LLC, S-Corp, etc.

Class Agenda:

Click Flyer for Power Point Slides



Home Services Resources Clients **Realtors** Investors Contact Us

Real Estate Tax Academy

- > Realtors
- > Business Entity 101
- > Tax Strategies: The Basics
- > Tax Deductions 101
- > Tax Deductions 102
- > Recordkeeping & The IRS
- > Incorporating and Hiring Help
- > Healthcare and Retirement Planning

Realtor's Expense Tracker & Deduction Checklist

FREE

Click Here to Subscribe



Home > Realtors

Gas	\$ -	Employment Taxes (SS, Medicare, FUTA)	\$ -
Other Auto Expenses	\$ -	Business License and Permits (RE License)	\$ -
COMMISSIONS & FEES, Line 10	\$ -	Real Estate and Property Tax	\$ -
CONTRACT LABOR, Line 11	\$ -		\$ -
OFFICE EQUIPMENT, Line 13	\$ -		\$ -
Ex: Laptop, software, printer	\$ -		\$ -
EMPLOYEE BENEFITS, Line 14	\$ -		\$ -
Ex: Accident and health plans, life insurance	\$ -		\$ -
INSURANCE, Line 15	\$ -		\$ -
Business Insurance (other)	\$ -		\$ -
FINANCIAL EXPENSES	\$ -		\$ -
Bank Charges	\$ -		\$ -
Telephone	\$ -		\$ -
Client Gifts (\$25 limitation)	\$ -		\$ -
Club/Organizational Dues (\$ -		\$ -
Courier Costs	\$ -		\$ -
Education	\$ -		\$ -

www.PatriciaLancaster.com/Resources

Checklists

Click to Download one of our checklists. Please share any checklist you find useful. Thanks!



✓ Checklist
For Income Tax Return
Filing Deadline: April 15
www.PatriciaLancaster.com

Tax Time
1040 U.S. Label

Super useful checklist to ensure you bring all the relevant information to your tax prep appointment!



✓ Checklist
For Income Tax Return Small Business Owners
Filing Deadline: April 15
www.PatriciaLancaster.com

Tax Time
SCHEDULE C (Form 1040) Profit or Loss
Department of the Treasury Internal Revenue Service (IRS) For information on it Attach to Form 1040
A Principal business or profession, including pro
C Business name, if no separate business name

Let's ensure that you have all the information need to complete your return and never miss a single deduction



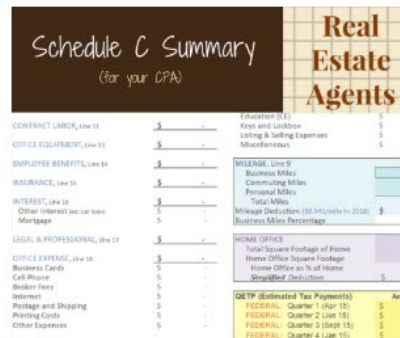
NEW TAX BILL
Tax Cuts and Jobs Act of 2017
summarized
How it affects Individuals, Real Estate Investors, and Small Business Owners
QBI Deduction
www.PatriciaLancaster.com

Tax Bill passed on Dec. 22, 2017.



✓ Checklist
Deductions for Real Estate Agents

Tax Time
SOLD FOR SALE



Schedule C Summary (for your CPA) Real Estate Agents

CONTRACT LABOR, line 11	\$	0	EMPLOYMENT (E)	\$	0
OFFICE EQUIPMENT, line 13	\$	0	Keys and Lockbox	\$	0
EMPLOYEE BENEFITS, line 14	\$	0	Leasing & Building Expenses	\$	0
INSURANCE, line 15	\$	0	Miscellaneous	\$	0
INTEREST, line 16	\$	0	Other (Interest see our notes)	\$	0
Mortgage	\$	0	MILEAGE, line 9	\$	0
LEGAL & PROFESSIONAL, line 17	\$	0	Business Miles	\$	0
Business Cards	\$	0	Commuting Miles	\$	0
Cell Phone	\$	0	Personal Miles	\$	0
Broker Fees	\$	0	Total Miles	\$	0
Interest	\$	0	Mileage Deduction (54.5¢/mile in 2018)	\$	0
Postage and Shipping	\$	0	Business Miles Percentage	\$	0
Printing Costs	\$	0	HOME OFFICE	\$	0
Other Expenses	\$	0	Total Square Footage of Home	\$	0
			Home Office Square Footage	\$	0
			Home Office as % of Home	\$	0
			Simplified Calculation	\$	0
			QETP (Estimated Tax Payments)	\$	0
			FEDERAL - Quarter 1 (Apr 15)	\$	0
			FEDERAL - Quarter 2 (Jul 15)	\$	0
			FEDERAL - Quarter 3 (Oct 15)	\$	0
			FEDERAL - Quarter 4 (Jan 15)	\$	0

Complete this Schedule C Summary for



Tax Deduction Checklist for RENTAL PROPERTY



AGENDA

1. IRS Perspective
2. What's My Tax Rate
3. Deductions & Tracking Expenses
4. Realtor's Expense Tracker (Excel)
5. Form 1099
6. Estimated Tax Payments
7. Mileage & Home Office
8. Business Entity: Sole Proprietor vs LLC or S-Corp

IRS PERSPECTIVE

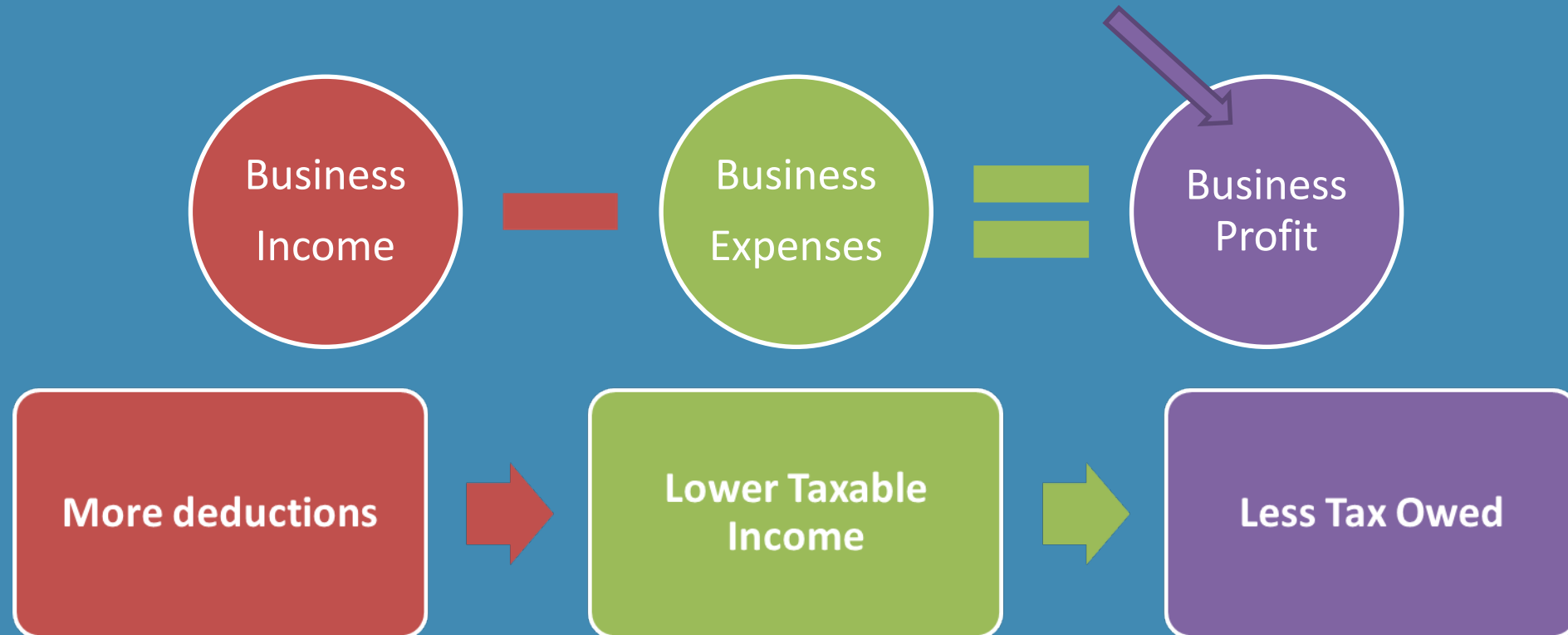
- You are a small business owner.
- You are responsible for:
 - Record keeping.
 - Complete, accurate, and timely filed tax return.
 - Computing and Paying your taxes (quarterly).

LANCASTER CPA PERSPECTIVE

- You have access to strategies that regular employees do not have.
- Gone are the days when you could self-prepare your tax return.
- Tax planning takes place throughout the year – RELATIONSHIP!

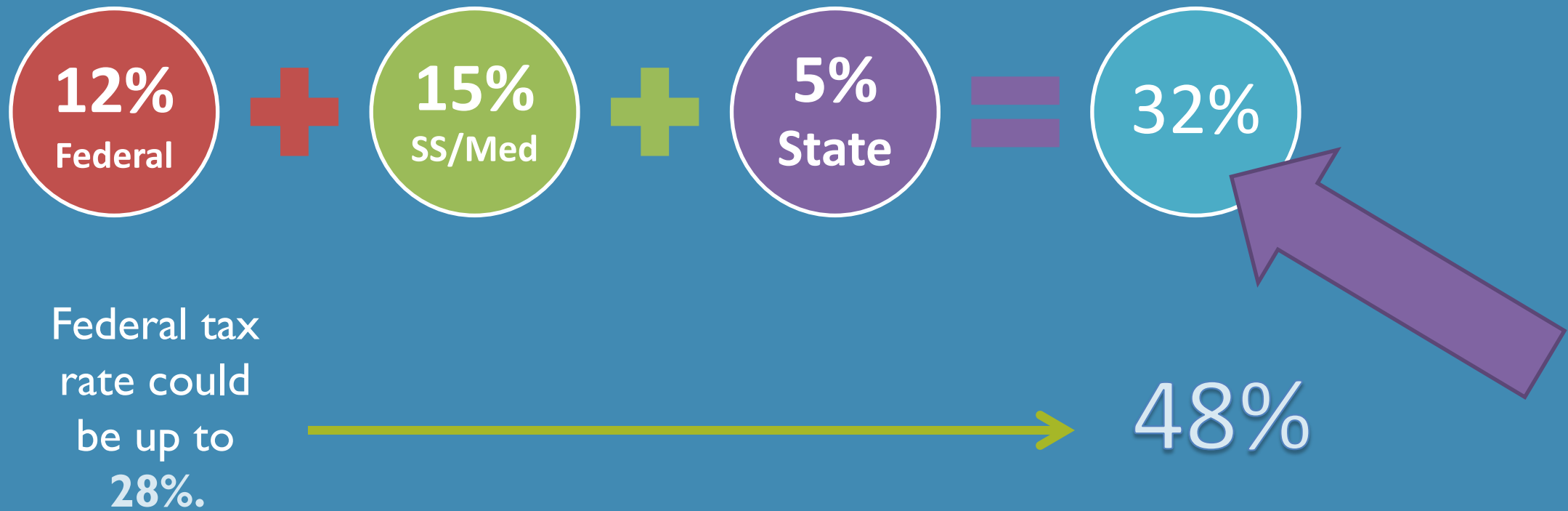
PAY TAXES ONLY ON YOUR PROFITS!

You do not **pay tax** on your total commission check.
You only pay tax **on your profit!**



WHAT'S MY TAX RATE?

You do not **pay tax** on your total commission check. You only pay tax on your profit!





2024 Federal Tax Brackets



TAX BRACKET/RATE	SINGLE	MARRIED FILING JOINTLY	HEAD OF HOUSEHOLD
10%	\$0 - \$11,600	\$0 - \$23,200	\$0 - \$16,550
12%	\$11,601 - \$47,150	\$23,201 - \$94,300	\$16,551 - \$63,100
22%	\$47,151 - \$100,525	\$94,301 - \$201,050	\$63,101 - \$100,500
24%	\$100,526 - \$191,950	\$201,051 - \$383,900	\$100,501 - \$191,950
32%	\$191,951 - \$243,725	\$383,901 - \$487,450	\$191,951 - \$243,700
35%	\$243,726 - \$609,350	\$487,451 - \$731,200	\$243,701 - \$609,350
37%	\$609,351+	\$731,201+	\$609,351+

SINGLE

MFS
(W/ ONE COLLEGE KID)

Realtor Commission (1099-NEC)

\$ 48,956

\$101,247

- Expenses

- \$ 12,609 25%

- \$ 13,612 13%

= Realtor Profit (Sch C)

= \$ 36,347

= \$ 87,635

AGI (Adj Gross Income)

\$ 37,019

\$ 89,901

- Standard Deduction

- \$ 12,950

- \$ 12,950

- QBI Deduction

- \$ 4,814

- \$ 15,390

= Taxable Income

= \$ 19,255

= \$ 61,561

Fed Tax (effective)



\$ 2,108 11%

\$ 8,664 15%

SS & Medicare Tax



\$ 5,135 15%

\$12,382 15%

State Tax

\$ 1,633 5%

\$ 3,923 5%

\$8K Tax

\$24K Tax

DEDUCTIONS & EXPENSE TRACKING

- ILLEGAL: Tax Evasion
- LEGAL & Ethical: **Tax Avoidance**
- Open a **separate checking** account for your business.
- Every expense you fail to track is worth a minimum of 32% back in your pocket.

\$100 worth of receipts = \$32 in tax savings

RECORDKEEPING

- If audited, you will have to **produce receipts**, not just bank records.
- **Keep tax records for 3-6 years** since the IRS can look back up to 3 years (in most circumstances).

OTHER COMMON DEDUCTIONS

- Advertising
- Business Coaching
- Business Travel (*be careful*)
- **Car** (*Mileage deduction*)
- Car Loan Interest (*portion*)
- Cell Phone (*portion*)
- Client Gifts (*\$25/yr per client*)
- Continuing Ed
- E&O Insurance
- Home Internet (*portion*)
- **Home Office**
- Legal and Accounting/Tax
- Listing, Staging, Selling
- **Meals**
- Office/Broker Fees
- Professional Dues (*MLS, SUPRA*)
- Software, Business Apps
- Supplies

MEALS

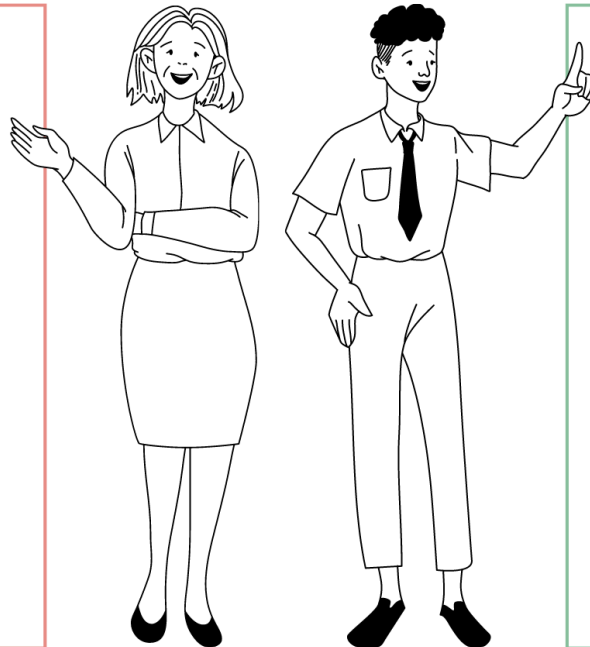
- Meals are **ONLY** deductible when you are taking a potential client or business associate for a meal. In other words, you paid and the receipt will show 2+ meal items.
- Colleagues dining “*dutch*” is not and never has been deductible – even if you discuss business the entire meal.

Mileage

MILEAGE *OR* ACTUAL

Pick the best one for you

Business use miles
x
Standard
Mileage Rate



All vehicle costs
minus
percentage of
personal use

ACTUAL MILEAGE: How it works:

- Keep a mileage log to track BUSINESS versus PERSONAL mileage
- Keep receipts for all the following:
 - Gas
 - Insurance, lease payment
 - Repairs & Maintenance (oil change, tire rotation)
- Deduction: Total Receipt total x Business use percentage:
 - Ex: Total receipts \$7,200 x 65% Business use = \$4,680 deduction
- **WARNING:** Requires more record-keeping
 - than the standard mileage method.
 - More likely to be audited.
 - Once you elect this “Actual” method, you are married to this method for as long as you own the vehicle.

STANDARD MILEAGE RATE: How it works:

- You deduct \$0.67 (2024) for every business mile you drive.
- It **requires less record-keeping**; you only keep track of how many miles you drive; you do not track actual expenses – gas, maintenance, repairs, etc...
- The only additional expenses you can deduct are:
 - ✓ Interest on a car loan
 - ✓ Personal property tax; auto registration fee – car tag.
- ✓ Less Likely to be audited if you choose the “Standard” Method

**\$0.67 / BUSINESS MILE
(BEGINNING 2024)**



1,000 miles per month (12K/yr.) = **\$8,040**

1,500 miles per month (18K/yr.) = **\$12,060**

2,000 miles per month (24K/yr.) = **\$16,080**

Part IV

Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ▶ / /

44 Of the total number of miles you drove your vehicle during 2014, enter the number of miles you used your vehicle for:

a Business b Commuting (see instructions) c Other

45 Was your vehicle available for personal use during off-duty hours? Yes No

46 Do you (or your spouse) have another vehicle available for personal use? Yes No

47a Do you have evidence to support your deduction? Yes No

b If "Yes," is the evidence written? Yes No

SCHEDULE C EXCERPT

Table 5-2. Daily Business Mileage and Expense Log

Name:

Date	Destination (City, Town, or Area)	Business Purpose	Odometer Readings		Miles this trip	Expenses	
			Start	Stop		Type (Gas, oil, tolls, etc.)	Amount
Weekly Total							
Total Year-to-Date							

Source: IRS Publication 463, Cat. No. 11081L, Travel, Entertainment, Gift, and Car Expenses

IRS Example of a Mileage Log

WARNING:

Regardless of the mileage method you choose (Standard v. Actual), the **IRS still requires you to keep a mileage log!**

ESTIMATED TAX PAYMENTS:

You owe it once you are profitable!!

Form **1040-ES**
Department of the Treasury
Internal Revenue Service

Estimated Tax

Payment
Voucher **1**

OMB No. 1545-0074

File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to **"United States Treasury."** Write your social security number and "2018 Form 1040-ES" on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

Calendar year — Due April 17, 2018

Amount of estimated tax you are paying
by check or money order.

Print or type	Your first name and initial	Your last name	Your social se
	If joint payment, complete for spouse		
	Spouse's first name and initial	Spouse's last name	Spouse's social
	Address (number, street, and apt. no.)		
	City, state, and ZIP code. (If a foreign address, enter city, also complete spaces below.)		
	Foreign country name	Foreign province/county	Foreign postal

For Privacy Act and Paperwork Reduction Act Notice, see instructions.


Form 10

CHECK IT OFF AS
IT'S DUE!

<input type="checkbox"/>	Voucher 1: Apr. 15
<input type="checkbox"/>	Voucher 2: June 15
<input type="checkbox"/>	Voucher 3: Sept. 15
<input type="checkbox"/>	Voucher 4: Jan 15

ESTIMATED TAX PAYMENTS: Federal



 **IRS**

Direct Pay [Have questions or need additional information? | Español](#)

Step 1 of 5

Tax Information

Select the appropriate payment type and reason for your payment. Information about payment types can be found by clicking the help icon (?). If you are making more than one type of payment or making payments for more than one tax year, submit each of them separately.

Business Taxes?

All business tax payments should be made through the [Electronic Federal Tax Payment System \(EFTPS\)](#)

Reason for Payment ?

Estimated Tax ▾

Apply Payment To ?

1040ES (for 1040, 1040A, 1040EZ) ▾


Tax Period for Payment ?

Select Year ***Make sure to select the correct tax year!!!!*** ▾

CONTINUE >

ESTIMATED TAX PAYMENTS: How To: Set up Est. Tax with ALABAMA



The screenshot displays the Alabama Department of Revenue website. At the top left is the logo for the Alabama Department of Revenue, featuring a green asterisk-like symbol. To the right are links for [HELP](#) and [CONTACT US](#). Below the logo is the text "MAT  [My Alabama Taxes \(Home\)](#)" with a question mark icon on the right. A prominent orange banner contains the following text: "My Alabama Taxes Debit Block Code to Change by End of January 2024". Below this, it states: "Before January 31, 2024, if you pay taxes through My Alabama Taxes using accounts that employ a debit block which requires an Originating Company ID (or 'debit block code') to be approved for ACH debits, then you must provide to your bank or financial institution an additional debit block code." It also includes a link: "For More Information Visit: [My Alabama Taxes Debit Block Code Change](#)". The bottom portion of the screenshot shows a blurred background of a person's hand at a computer keyboard. Overlaid on the right is a login form with fields for "Username" and "Password", a green "Sign in" button, a link for "Forgot username or password?", and a link for "File Returns, Pay Taxes, View Letters, and more: [Create a My Alabama Taxes account](#)". A yellow arrow points to the "Create a My Alabama Taxes account" link.

QETP PENALTIES

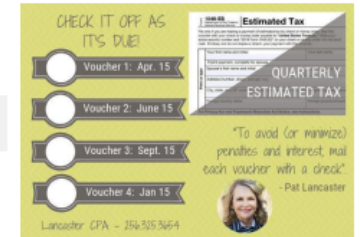
1. Not Filing
2. Not Paying
3. Underpaying

Filing QETPs

Quarterly Estimated Tax Payments (QETP) for Small Business Owners (SBO)

1 What is QETP?

Quarterly estimated tax is the method used to pay Social Security, Medicare, and income taxes because you do not have an employer withholding these taxes for you. [Form 1040-ES, Estimated Tax for Individuals](#) is used to figure these taxes. **To determine the amount you should remit with each voucher, I highly recommend that you consult your CPA.**



2 When are QETP Due?

Each quarter, profitable SBOs file QETPs with both the IRS and their State via four vouchers (Form 1040-ES).

Voucher	Due Date	Federal Voucher	State Voucher
1 st Payment	April 15	Pg. 11	Pg. 1
2 nd Payment	June 15	Pg. 11	Pg. 3
3 rd Payment	Sept 15	Pg. 11	Pg. 3
4 th Payment	Jan. 17	Pg. 9	Pg. 3

3 How to file Federal QETP voucher(s):

- 3.1 **Print, Complete, and Mail** the respective voucher according to the applicable quarter. For example, print page 11 and complete voucher 1 for your first QETP due April 15th. [CLICK HERE for Federal QETP Vouchers.](#)
Mail your federal QETP Voucher.
Internal Revenue Service
P.O. Box 931100
Louisville, KY 40293-1100
- 3.2 [Or, Pay Federal Estimated Tax ONLINE:](#) The service is free if you use your banking information: Vendors charge a fee if you utilize your credit card.

4 How to file State voucher(s):

- 4.1 **Print, Complete, and Mail** the respective voucher according to the applicable quarter. For example, print page 5 and complete voucher 1 for your first QETP due April 15th.
Mail your State QETP Voucher.
Alabama Department of Revenue
Individual Estimated Tax

QUARTERLY
ESTIMATE TAX

CALCULATOR



1040-ES Department of the Treasury Internal Revenue Service		Estimated Tax	Payment Voucher
only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to "United States Treasury." Write your full security number and "2018 Form 1040-ES" on your check or money order. Do not send 1. Enclose, but do not staple or attach, your payment with this voucher.		Calendar year	Amount of esti by check or money order.
Your first name and initial	Your last name	Yo	
If joint payment, complete for spouse			
Spouse's first name and initial	Spouse's last name	Sp	
Address (number, street, and apt. no.)			
City, state, and ZIP code. (If a foreign address, enter city, also complete spaces below.)			
Foreign country name	Foreign province/county	Fo	

Form 1099: Due Jan 31st

- Failure to file the form could result in a penalty as much as \$1,000 per each omitted, late, or incorrect 1099-Misc.
- Also, copies of 1099s and summary returns are due to the IRS (Form 1096) and the State (Form-96) by January 31st.
- The problem you may encounter is those subcontractors that don't want you to issue them a 1099. Make sure you get them to fill out a W-9 form **before** you issue them a payment.

W-9
Form
Rev. October 2018
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Go to www.irs.gov/FormW9 for instructions and the latest information.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

Individual/sole proprietor or single-member LLC

C Corporation

S Corporation

Partnership

Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

Other (see instructions) ▶ _____

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions. Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

or

Employer identification number

Part II Certification

<https://www.irs.gov/pub/irs-pdf/fw9.pdf>

Form 1099: Due Jan 31st

Did you pay any contractor \$600+ this year?

DUE
JAN 31

<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED		OMB No. 1545-0047
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. Tina Turner Realtor 121 Main St Madison AL 35758		202 Form 1099-
1 Nonemployee compensation \$ 601		
PAYER'S TIN XX-XXXXXXX	RECIPIENT'S TIN XX-XXXXXXX	2
RECIPIENT'S name ABC Photographer LLC		3
Street address (including apt. no.) 123 Sesame St		4 Federal income tax withheld \$
City or town, state or province, country, and ZIP or foreign postal code Huntsville , AL 35801		
FATCA filing requirement <input type="checkbox"/>		
Account number (see instructions)	5 State tax withheld \$	6 State/Payer's \$

Form 1099-NEC www.irs.gov/Form1099NEC Department

Form W-9



Form 1099-NEC

www.PatriciaLancaster.com/Realtors

Date	Card/Chk	Payee/Description	Debit or (credit)	Notes	Expense Category	Sub-Category
1/1/2015		AL.com	\$189.00	Online Ad	Advertising	Online Advertising
1/2/2015		Huntsville Times	\$189.00	Real Estate Ad	Advertising	Print Advertising
1/3/2015		Chevron	\$39.42	Gas	Auto	Gas
1/4/2015	1234	Judy Realtor	\$250.00	check	Commissions_and_Fees	Commissions
1/5/2015		Best			Contract_Labor	Contract Labor
1/6/2015		Sm			Office_Equipment	Office Equipment
1/7/2015		Bank			Travel	Travel
1/8/2015		Lan			Meals_and	Meals and Entertainment
1/9/2015		Vista			Meals_and	Meals and Entertainment
1/10/2015		Hon			Contract_Labor	Contract Labor
1/11/2015		Best			Contract_Labor	Contract Labor
1/12/2015		Wal			Contract_Labor	Contract Labor
1/13/2015		AL F			Contract_Labor	Contract Labor
1/14/2015		Mar			Contract_Labor	Contract Labor
1/15/2015		Zoe			Contract_Labor	Contract Labor
1/16/2015	1235	Roll Tide Program	\$100.00	Football ticket, client J. Vainain	Meals_and_Entertainment	Meals and Entertainment
1/17/2015		Suzi Assistant	\$1,000.00	ABC Virtual Assistant, INC.	Contract_Labor	Contract Labor

EXPENSE TRACKER

Easy to Use
Easy to Filter
Automated Summary for CPA

Category	Amount	Category	Amount
ADVERTISING, Line 8	\$ 1,134.19	PENSION & PROFIT SHARING, Line 19	\$ -
Ad Agency Fees	\$ -	Ex: contributions made on behalf of employees	
Cleaning Advertising	\$ -	RENT, Line 20	\$ 129.00
Imprinted Small gifts	\$ 24.99		\$ 129.00
Logo/Clothing	\$ -		\$ -
Marketing Materials	\$ -		\$ -
Online Advertising	\$ -		\$ 139.00
Print Advertising	\$ -		\$ 532.00
Promotional Expense	\$ -		\$ 3.00
INSURANCE, Line 15	\$ -		\$ 25.00
Business Insurance (other than	\$ -		\$ 145.00
Error and Omission Insurance	\$ -		\$ -
INTEREST, Line 16	\$ -		\$ 199.00
Mortgage (other than for acquisition	\$ -		\$ -
Other Interest (ex: credit card	\$ -		\$ -
LEGAL & PROFESSIONAL FEES, Line 17	\$ -		\$ -
Ex: Legal, accounting, consulting	\$ -		\$ -
OFFICE EXPENSE, Line 18	\$ 69.36	Open Houses	\$ -
Business Cards	\$ 69.36	Photographs	\$ -
Cleaning Supplies	\$ -	Publications & Subscriptions	\$ -
Copying Expenses	\$ -	State Unemployment Insurance	\$ 160.00
Decorative Items	\$ -		

EXPENSE SUMMARY

Automated
Organized by Tax Categories
For your CPA!



Any Expense keyed into the "Expense Log" will automatically flow into the "Summary for CPA"

SOLE PROPRIETOR
VS
S-CORP OR LLC

Forming an LLC or S-Corp is an **ENORMOUS tax and accounting decision**. There is no one-size-fits all response. Consult a reputable, knowledgeable CPA **BEFORE** you do this.

Ask an Attorney:

“What can an LLC do for me as a REALTOR that my Error & Omission insurance cannot do?”

MY CHECK LIST:

- Set up a **SEPARATE bank account** (and/or credit card) for your business.
- Carefully review the **Realtor Deduction Reference** so you know what you're entitled to deduct.
- Keep a **mileage log**.
- Pay **estimated tax** EVERY quarter as soon as you are profitable.
- Don't forget to file **Form 1099's** in January. Don't *DIY* this.
- DO NOT** form an LLC or S-Corp without **consulting a CPA FIRST**. Get accounting and bookkeeping fees up front. (wait until Profit is \$100K+)
- You should be in contact with your **CPA ROUTINELY** throughout the year for tax planning.