

Social Security Administration

Internal Revenue Service

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Internal Revenue Service

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Reporter

Fall 2008

A Newsletter
for Employers

Businesses Benefit from 2008 Economic Stimulus Act Depreciation Provisions

Businesses that have bought assets—or are planning to do so—in 2008 can benefit from the same legislation that is delivering payments to individuals this year.

The Economic Stimulus Act of 2008 increased the maximum amount for depreciation under section 179 of the federal tax code from \$128,000 to \$250,000 for 2008. It also raised the section 179 phase-out limit, formerly \$510,000 for this year, to \$800,000. Section 179 depreciation provides a way for businesses to recover quickly some of the costs of certain property purchases, such as equipment.

The law also reinstates 50 percent special depreciation, also known as bonus depreciation, for much of the country. This special depreciation entitles taxpayers to depreciate 50 percent of the cost or other basis during the year for an asset

placed into service in 2008 and depreciates the remaining cost or basis over the asset's normal life.

Some states do not follow the special depreciation rules and the tax provisions' most effective use will depend on taxpayers' circumstances. Businesses should consult their tax advisors.

The Economic Stimulus Payments Information Center on the IRS's Web site at www.irs.gov/newsroom/article/0%2C%2Cid=177937%2C00.html is the best source of Economic Stimulus information from the IRS. For more on Economic Stimulus Depreciation provisions, look for the Stimulus Payment graphic on IRS.gov and scroll down to "Information for Businesses." The Web site is updated as needed, so check back frequently. **IRS**

Social Security Announces Enhancements to Business Services Online

Special Wage Payments

Wage payments made to employees after they retire and back pay awarded by a court or government agency are considered special wage payments (SWP). Businesses are required to submit special wage payments to Social Security for the purposes of computing an employee's Social Security benefits.

Starting in January 2009, the Business Services Online (BSO) Electronic Wage Reporting (EWR) suite of services will implement a SWP application for the 2008 tax year. This application will provide employers and payroll companies the capability to

upload and electronically submit SWP through the BSO, EWR wage file upload.

Prior to 2008, businesses could submit their SWPs on paper Form SSA-131 and on magnetic media. When Social Security eliminated magnetic media for annual wage reporting, many businesses disposed of the equipment used to create the SWPs magnetic media; thus, the paper Form SSA-131 became the only method for businesses to submit their SWPs to Social Security.

For more information about filing wage reports electronically, visit www.socialsecurity.gov/employer. *continued on page 2*

Information Returns Reporting Goes Totally Electronic as Magnetic Media No Longer Accepted

Beginning December 1, 2008 the Internal Revenue Service Enterprise Computing Center – Martinsburg (IRS/ECC-MTB) will no longer accept magnetic media for the filing of information returns. Information returns can only be filed electronically via the FIRE (Filing Information Returns Electronically) System at <http://fire.irs.gov>.


Forms which can be filed via the FIRE System include Forms 1098, 1099, 5498 and W-2G (See related article on page 3 for information on Forms 1042-S and 8027, which can also be filed via the FIRE System). Filing electronically offers the following advantages:

- Paperless—No Form 4804 requirements
- Secure—Secure Socket Layer (SSL) 128-bit encryption
- E-mail notification—File status results e-mailed to you in 1-2 business days if the correct e-mail address is provided

- Easy to use—Better customer service due to on-line availability of transmitter's files

If you currently use magnetic media, no formal application process is required. The Transmitter Control Code (TCC) that was used for your magnetic media filing can be used to file electronically. You may begin filing electronically at any time. Test files can be sent from November 1 through February 15 and are strongly encouraged for first time electronic filers.

IRS/ECC-MTB recommends reviewing Publication 3609, *Filing Information Returns Electronically*, at www.irs.gov/pub/irs-pdf/p3609.pdf, which contains basic information on electronic filing.

Note: The FIRE System does not provide a fill-in form for information returns. The file must be formatted according to Publication 1220, *Specification for Filing Forms 1098, 1099, 5498, and W-2G Electronically*, at www.irs.gov/pub/irs-pdf/p1220.pdf. All publications are available at www.irs.gov. 

Business Services Online Enhancements continued from page 1

Electronic Wage Reporting

In the December 2008 tax year release, the Business Services Online (BSO) Electronic Wage Reporting (EWR) applications will be enhanced with an upgrade to the Integrated Registration Services (IRES) to allow registered users associated with more than one employer identification number (EIN) to have their multiple EINs attached to a single User ID.

Currently, employees of businesses doing work for multiple employers (under each company's EIN) must register for multiple User IDs in order to submit wage reports and view the status for each employer.

The enhanced IRES upgrade and the BSO applications' use of the multi-EIN User ID will result in minor changes to existing pages; i.e., will prompt the user to select a specific EIN when using the following applications: Wage File Upload, W2 Online, W2C Online, Submission Status, Employer Report Status and the Social Security Number Verification Service.

The new multi-EIN User ID allows authenticated users to complete work for multiple companies during a single authenticated session, reduces the user's


time spent on authentication, and provides convenience to the BSO users.

Password Reminder

When you next log into the Business Service Online (BSO) application, you will be presented with five questions to answer. Should you forget your password in the future, all you will have to do is answer three of the five questions correctly.

BSO is Available 24/7

BSO is available year round to all submitters who file W-2s electronically with Social Security. Submission information is not available for paper submissions.

All you need is a User ID and password. If you do not have a User ID and password, you can register for one on the BSO website. From the BSO Welcome Page, you can access a variety of free wage reporting services, such as view Wage Report Status, Errors, and Error Notices, and verify Social Security Number Online. 

Related Link:

Business Services Online at www.socialsecurity.gov/bsowelcome.htm for these and other filing options.

IRS Offers Workshops for Small and Mid-Sized Tax-Exempt Organizations

The Tax Exempt and Government Entities (TE/GE) Division of the Internal Revenue Service is sponsoring three, one-day workshops for small and mid-sized tax-exempt organizations. Cost of the workshop is \$45 per person and includes a text and other IRS forms and publications. Pre-registration is required. Locations and dates for workshops are:


- Chicago, IL – October 21, 22, and 23, 2008
- Detroit, MI – November 18, 19, and 20, 2008
- Memphis, TN – December 2, 3, and 4, 2008

Presented by experienced IRS Exempt Organization specialists, the workshop is intended for administrators or volunteers who are responsible for an exempt organization's tax compliance.

Each one-day workshop includes an overview of tax-exempt status and an in-depth discussion of activities that can jeopardize 501(c)(3) status. Other topics include unrelated business income and gaming, employment issues for tax exempt organizations, record-keeping and required disclosures, and tips on completing the Form 990 information return. Workshop leaders will also discuss how the Pension Protection Act of 2006 affects exempt organizations.

For more information or to register, go to the Exempt Organizations page on the IRS website at www.irs.gov/eo and click the "Calendar of Events" link. Information and registration is also available by calling Events by Design, IRS' registration services provider, at 800-521-3980.

If you are unable to attend in person, the workshop material is presented on-line in a fun and informative format at www.stayexempt.org.

Tax-exempt organizations can stay current with all the latest news and events by subscribing to the periodic electronic newsletter, *EO Update*. To subscribe, visit www.irs.gov/charities/article/0%2C%2Cid=135307%2C00.html. 

Videos Offer Information on Retirement Plans

Nine new Internet videos at http://www.stayexempt.org/ep/navigating_plans.html can help retirement plan sponsors and participants choose and operate their plans, ensure their retirement benefits are protected, and learn more about the value of plans as a way to save for retirement. Check out other resources on Employee Plans at <http://www.irs.gov/ep>. 

Major Changes for Filing Forms 1042-S and 8027, Electronically for TY2008


Chapter Three Withholding, Form 1042-S (*Foreign Person's U.S. Source Income Subject to Withholding*), has significant changes for the upcoming tax year. The record layout for electronic filing is expanded to 820 positions. There are numerous changes to the payee "Q" record to accommodate additional fields and filing requirements.

Form 8027 (*Employer's Annual Information Return of Tip Income and Allocated Tips*), also has several changes for TY2008. New fields will be added to the

current record layout. Additional validation checks will be performed to improve the accuracy of the data.

Beginning December 1, 2008 electronic filing via the FIRE (Filing Information Returns Electronically) System with its Internet connection at <http://fire.irs.gov> will be the only acceptable method to file these returns with Internal Revenue Service (IRS) Enterprise Computing Center—Martinsburg.

Test files can be sent from November 1 through February 15 and are strongly encouraged for first time

electronic filers. IRS urges filers to visit our website at www.irs.gov to view the revised Publication 1239 at www.irs.gov/pub/irs-pdf/p1239.pdf, *Specifications for Filing Form 8027, Employer's Annual Information Return of Tip Income and Allocated Tips, Electronically* and Publication 1187 at www.irs.gov/pub/irs-pdf/p1187.pdf, *Specifications for Filing Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, Electronically*. These publications should be available by late summer 2008. 

Protect Against Identity Theft—Yours and Your Employees'



Your business is a repository of valuable information, which, in the wrong hands, could bring financial ruin to you and your employees.

Payroll records alone include far more than a data thief would need to steal a person's identity. Such records include employees' names, addresses, and social security numbers at a minimum, but might also include their bank account information, health insurance information, and more. Businesses also have the need to store certain information on customers and vendors.

All the more reason to be aware that data breaches happen in the United States nearly every day. A thief using another person's identity can steal money, ruin credit histories that have taken years to build, and generally cause havoc for the victim. Businesses can also be victims, since a data breach—whether caused by computer hackers, cat burglars, or an absent-minded employee who loses a laptop—can tarnish a business' reputation and incur costs in complying with state laws on data breach notification.

Data Security Best Practices

"One man's trash is another man's treasure" never had greater meaning than in the context of identity theft. Companies should go to great lengths to ensure that they dispose of personally identifiable information in such a way that it cannot be read or reconstructed.

Knowing what data you're storing and who has access to it is the first step in data security. Employee and business information may be stored in file cabinets, computer hard drives, network drives, e-mails, thumb drives, diskettes, tapes, etc. Employees who telecommute may also store information on their home computers.

As a rule, if you don't have a business need to store personally identifiable information, you shouldn't. Better, don't ask for it. For example, stock application forms might contain a space for the social security

number. Until an individual is hired, there is no use for that number. However, the forms can become a liability as you hold onto them, according to company practice and/or labor law requirements, even though an applicant is not hired.


The best way to protect sensitive information depends entirely on the type of information and how it is stored. Physical security includes the most obvious measures such as locking doors and cabinets, but can also include implementing clean desk policies, monitoring offsite storage, and tracking package shipments.

Storing sensitive information on laptop hard drives is particularly risky, so companies should consider allowing laptops to access central computers, but not actually store information to the hard drive.

You and your employees should also be aware of "phishing" schemes, in which unsolicited e-mail messages ask for sensitive data.

Doing Nothing is Not an Option

It is important for companies to know how to respond to an event before it happens. In the event of a breach, a company will generally need to notify law enforcement, customers, consumers (including employees), credit bureaus, and other companies that may be affected by the breach. Federal law has been slow to develop with regard to data breaches, but 45 states now have laws addressing companies' responsibilities in the event of a breach.

Every company must know this: doing nothing is not an option. Help is available for companies to learn how to minimize the risk of a data breach, how to detect one once it has happened, and what to do about it after it is discovered. 

Related Links:

■ IRS: Identity Theft and Your Tax Records, at www.irs.gov/individuals/article/0%2C%2Cid=136324%2C00.html

■ Social Security: Fraud Advisories, at www.ssa.gov/oig/communications/fraudadvisories

■ Federal Trade Commission: Identity Theft, at www.ftc.gov/bcp/edu/microsites/idtheft

Editor's Note: *The American Payroll Association's strong partnership with the IRS and SSA allows it to prepare its publications and classes, such as *Preparing for Year-End and 2009*, with the most accurate and up-to-date information to educate employers. More information about the APA is available at www.americanpayroll.org.*

APA Seminar: Year-End Payroll Processing Compliance Issues

The American Payroll Association's *Preparing for Year-End and 2009* seminar provides updates on the latest changes in legislation and regulations that affect the close of 2008 and the beginning of 2009, including:

- Calendar of year-end tasks
- Fringe benefit taxation and reporting
- Year-end forms
- Implementing new payroll laws and regulations
- Annually announced values (pension plan limits, mileage rates, etc.)

Most of the one-day classes also include a presentation by IRS and SSA. The classes will be available at locations around the country and will also be offered as a series of Web casts over the Internet. Some classes are customized for government/public sector payrolls and for accounts payable professionals.

For more information, visit the APA Web site at www.americanpayroll.org/course-conf and scroll down to "Specialty Seminars" and "Web casts" in the middle column.

Helping Businesses Understand the ADA

The Americans with Disabilities Act (ADA) prohibits discrimination and ensures equal opportunity for people with disabilities in employment, state and local government, public accommodations, commercial facilities, and transportation. The ADA covers more than seven million businesses, 80,000 units of state and local government, and more than 50 million people with disabilities. The ADA requires the federal government to help people and organizations understand the law. No small task.

“ADA Technical Assistance. How may I help you?” This phrase is heard every day by people throughout the United States when they call the toll-free ADA Information Line (see below). ADA specialists assist over a thousand callers weekly, helping them understand how the ADA applies to their specific situation. The information line is one of several information resources provided by the Department of Justice’s ADA Technical Assistance program, which engages in a wide range of activities to help businesses and organizations understand the law and to increase understanding of and voluntary compliance with the ADA:

- ADA Information Line: (800-514-0301 voice; 800-514-0383 TTY) for answers to questions and recorded information, or to order publications 24 hours a day.
- The popular ADA Website (www.ada.gov) provides direct access to ADA publications as well as information about enforcement, mediation, certification programs, proposed changes in regulations, and links to other Federal websites that contain ADA information. It also provides information about tax credits and deductions that businesses can use to help offset the costs of ADA compliance.
- Department staff gives presentations, conducts workshops, and staffs exhibits at major conferences around the country. Organizers who wish to request a speaker or ADA exhibit booth for a national or major regional event can contact the Director, ADA Technical Assistance and Mediation Program, U.S. Department of Justice, Civil Rights Division, 950 Pennsylvania Avenue, NW, DRS-NYA, Washington, DC 20530. **DOJ**

Related Links:

- ADA Business Connection at www.ada.gov/business.htm
- ADA Guide for Small Businesses at www.ada.gov/smbusgd.pdf
- Reaching Out to Customers with Disabilities—an online ADA course for businesses at www.ada.gov/reachingout/intro1.htm

OSHA’s New “Safety Pays” Program Provides Planning Tool for Businesses

In the midst of increasing prices, small business owners and managers are feeling the pinch of increasing expenses, scrutinizing expenditures, and analyzing the most cost-effective ways to maintain operations.

Cutting down on insurance, however, particularly liability and workers’ compensation so necessary to protect businesses from accidental occurrences, is no way to save money and could prove to be “penny wise, pound foolish.”

Workplace injuries, illnesses, and fatalities cost U.S. businesses an estimated \$170 billion a year—about \$1,300 per employee. Increases in injuries and illnesses result in higher workers’ compensation costs, decreased productivity, possible government fines and legal fees, and increased employee turnover, all leading to a negative effect on a company’s bottom line. This in no way outweighs the significant personal impact on injured employees and their families.

OSHA offers free resources to employers looking for cost-saving measures. OSHA has developed a new interactive tool, the “Safety Pays” program at www.osha.gov/dcsp/smallbusiness/safetypays/index.html to help employers approximate the costs of occupational injuries and illnesses and the estimated impact on a company’s profitability.

This Web-based application allows businesses to identify the direct and indirect costs of injuries and calculate the amount of sales revenue needed to make up for these losses.

Direct costs involve medical expenses incurred from occupational injuries and compensation payments to injured employees while they are away from work. Indirect costs include wages paid to injured employees for absences not covered by workers’ compensation; costs related to lost time due to resulting work stoppages; employee training and replacement costs; and administrative time used by supervisors after an accident.

To use the tool, employers select from a list of work-related injuries and illnesses or enter actual workers’ compensation costs. The tool then calculates the estimated sales revenue needed to cover the costs associated with those injuries or illnesses.

In addition, OSHA’s electronic Compliance Assistance Tool at www.osha.gov/SLTC/etools/safety/health/index.html provides employers with guidance for developing and implementing a comprehensive safety and health program.

Prudent planning and a safe and healthful work environment protect your business as well as your employees. **OSHA**

e-file is the “Green” Way for Employees to File Their 2008 Taxes

It seems like everyone is talking “green” these days. In addition to recycling programs and taking other steps to cut down on energy use at the office, another small thing you can do to help the environment is to suggest to your employees that they e-file their tax returns next year. It’s truly a green solution that will help reduce America’s paper consumption.

e-file eliminates the need for printed materials. Instead, taxpayers refer to an online instruction book and complete an online return. Although taxpayers who e-file are encouraged to print out a copy of the completed forms for their files, they still save paper by 50% as well as the cost of postage. And e-file not only saves paper, but also the energy necessary to print and transport the printed materials around the country.

e-file benefits the environment, and it has advantages for the taxpayer, as well.

■ e-file is easy and secure. Anyone who knows how to use a computer can e-file. Although different tax preparation software programs are available, they are uniformly simple to use and guide taxpayers through the

process in filling out forms. The software also catches errors, so mistakes can be fixed before the return goes to the IRS.

■ e-file can also be free. Last year, 70 percent of taxpayers were eligible to electronically prepare and file their returns at no cost through Free File, a partnership program between the IRS and companies that provide tax preparation software. To qualify for Free File, taxpayers must earn a maximum adjusted gross income that is determined each year by the government. Last year, that amount was \$54,000, which will likely rise for the 2008 tax filing season. Free File is available only through www.irs.gov.

To help communicate the benefits of e-file to employees, downloadable posters and check stuffers are available from the IRS. These will be available closer to the start of the tax season at www.irs.gov. If employees have been noncommittal about e-filing their returns in the past, perhaps this is the information they need to make the switch. They may just need to be reminded that e-file is not only good for them, but also good for the environment. **IRS**

TEST YOUR KNOWLEDGE

Employee Gifts

Situation: The Yellow Willow Company traditionally rewarded its employees with gifts for the year-end holidays (typically a turkey and a monetary award). These gifts were not based on employee performance or company profits but were instead due to Willow's genuine interest in promoting goodwill with the workers.

Question: How will Yellow Willow's gifts affect its employment tax responsibilities?

Answer: In general, any amount an employer transfers to employees (directly or indirectly) is taxable for social security, Medicare, income tax withholding, and federal unemployment taxes. Exceptions to this rule include de minimis (i.e. minimal) fringe benefits. A de minimis fringe benefit is any property or service (other than cash or cash-equivalents), the value of which (after taking into account the frequency with which similar fringes are provided), is so small as to make accounting for it unreasonable or administratively impracticable.

De Minimis Fringe Benefits: Traditional holiday gifts (such as a turkey) with nominal value are excludable from wages as "de minimis" fringe benefits. As such, no federal employment taxes or wage reporting is due from Willow for this item.

Other de minimis fringe benefits include: the occasional typing of personal letters; coffee and soft drinks; and occasional meal money or local transportation fare paid to enable an employee's overtime work. Further examples and

information on de minimis fringes and other fringe benefit wage exclusions (such as transit passes and certain achievement awards for safety / length of service) are provided in section 2 of Publication 15-B, *Employer's Tax Guide to Fringe Benefits* (www.irs.gov/pub/irs-pdf/p15b.pdf).

Cash or Cash-Equivalents Not Excluded: Cash (whether currency, check, direct deposit, etc.) and cash-equivalents (e.g. gift cards) are taxable compensation. Willow, accordingly, must report the monetary gifts it made as (supplemental) wages, regardless of the amount, and pay the employment taxes owing.

Both the employee and the matching employer shares of social security and Medicare taxes are owed by Willow, even if it remits them without deducting the employee portion from the award. (Section 7 of Publication 15-A, *Employer's Supplemental Tax Guide*, www.irs.gov/pub/irs-pdf/p15a.pdf, provides examples on how to figure the tax liability and the corresponding wage amounts in this situation). Similar computations can apply if an employer remits income tax withholding without deducting it from wages. **IRS**

Building Partnerships with Insurers to Improve Children's Lives

The U.S. Department of Health and Human Services is seeking partners from the insurance industry in the Federal Office of Child Support Enforcement's (OCSE) Insurance Match Program.

States administer their Child Support Enforcement Programs with assistance from OCSE to ensure children receive financial and emotional support from both parents. OCSE provides services to states, territories and tribes, and works closely with other Federal agencies and the private sector including financial institutions, employers, and most recently, insurance companies.

States have the ability to collect and access information on assets and records held by insurance companies with respect to individuals who owe child support (42 U.S.C. sections 652(a)(11), 654(a)(9)(E), 666(c)). Section 452 of the Social Security Act authorizes OCSE to compare information concerning individuals owing past-due child support with information maintained by insurers (or their agents) concerning insurance claims, settlements, awards, and payments.

To streamline the process and reduce the burden on insurers that voluntarily participate, OCSE has implemented an efficient, flexible and centralized Insurance Match Program to identify and share matches of delinquent child support obligors to insurance claims data.

Insurers (or their agents) may participate in the OCSE Insurance Match Program using one of these methods:

- Send insurance claims data to OCSE for processing, or
- Receive an electronic file of eligible individuals for processing and return the matches to OCSE; or
- Authorize an agent (e.g., Insurance Service Office [ISO] or third party processor) to work with OCSE.

The Insurance Match Program is expected to make a significant difference in the lives of millions of children. For additional information, please send an email to: insurancematch@acf.hhs.gov or visit our website at: www.acf.hhs.gov/programs/cse/newhire/insurance/insurance.htm. **HHS**

SSA/IRS

Reporter

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Comments may be sent to:
John Berger, Editor

Send mail to (NOT for change of address):
Internal Revenue Service
Small Business/Self-Employed
Communications
Room 940, Fallon Building
31 Hopkins Plaza
Baltimore, MD 21201

e-mail (NOT for change of address):
SSA.IRS.REPORTER@irs.gov

Fax: 410-962-2572

CHANGE OF ADDRESS?
OUT OF BUSINESS?

Notify the IRS. Submit Change of Address Form 8822 available at <http://www.irs.gov/pub/irs-pdf/f8822.pdf> to the IRS center to which you sent your business returns. Please include your Employer Identification Number (EIN).

Cincinnati IRS Center
Cincinnati, OH 45999

Ogden IRS Center
MS:6273

Ogden, UT 84207
Attn: BMF Entity Control Unit

Outside US:
Philadelphia IRS Center
Philadelphia, PA 19255

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IRS and SSA "Help" Phone Numbers,
Web Addresses, and Additional
Resources Now on IRS.gov

IRS and SSA "Help" telephone numbers, Web addresses, and additional resources are now posted on IRS.gov at <http://www.irs.gov/businesses/small/article/0%2C%2Cid=109886%2C00.html>.

News and Announcements

New IRS Web Page Developed for Small Businesses and the Self-Employed Who File Schedule C

IRS.gov now features a Web page specifically developed for small businesses and the self-employed (at www.irs.gov/businesses/small/article/0%2C%2Cid=115045%2C00.html) who file Schedule C, *Profit or Loss from Business* (<http://www.irs.gov/pub/irs-pdf/f1040sc.pdf>).

The Web page is the one of most recent elements in the IRS's year-long outreach strategy announced in IR-2008-63, at www.irs.gov/newsroom/article/0%2C%2Cid=181721%2C00.html, to help educate new (and expe-

rienced) self-employed and small business owners about federal tax responsibilities.

The Web page is a good starting point for small businesses and self-employed taxpayers who file Schedule C. It contains links to information on the most common issues new business owners will encounter, such as:

- Who is Self-Employed?
- Organizing Your Business
- Operating a Business
- Self-Employed or Employee?
- Employment and Self-Employment Taxes

- Paying Self-Employment and Employment Taxes
 - Filing and Paying Your Taxes Electronically
 - Considering a Tax Professional
 - Disaster Planning
 - Avoid Abusive Tax Avoidance Schemes
 - Essential Forms and Publications
 - IRS Educational Materials and Assistance
- Schedule C is filed by sole proprietors (one-owner businesses) as an attachment to their Form 1040 individual income tax return. Self-employed individuals with less complex

situations—including business expenses of less than \$5,000, no net losses and no employees—may be able to file Schedule C-EZ, *Net Profit for Business* (<http://www.irs.gov/pub/irs-pdf/f1040sce.pdf>).

About one in seven federal income tax returns includes a Schedule C or Schedule C-EZ. Taxpayers filed over 21 million Schedules Cs for tax year 2006, the latest year for which information is available, reporting overall net profits from sole proprietorships totaling more than \$269 billion. **IRS**

Tips for Responding to Missing W-2 Inquiries

When the information on Form W-2 does not match the appropriate employment tax form (i.e., Form 941, Form 944), find out about how to respond to notices issued under the Combined Annual Wage Reporting (CAWR) matching program at www.irs.gov/businesses/small/article/0%2C%2Cid=182835%2C00.html. **IRS**

IRS Chart on Steps for Changing Business Name

A new chart at www.irs.gov/individuals/article/0%2C%2Cid=148089%2C00.html explains the requirements for sole proprietors, corporations, and partnerships submitting a request to change the business name.

In some situations a name change may require a new Employer Identification Number or a final return. See Publication 1635, *Understanding Your EIN*, for details. **IRS**

Excise Taxpayers Now Have More e-file Options

Form 720, *Quarterly Federal Excise Tax Return*, at www.irs.gov/pub/irs-pdf/f720.pdf, can now be e-filed with the IRS (www.irs.gov/businesses/small/article/0%2C%2Cid=181657%2C00.html).

The IRS now accepts two excise tax forms electronically, Form 720 and Form 2290, *Heavy Highway Vehicle Use Tax Return*. **IRS**

Filing Extensions Changing for Some Business Taxpayers

Temporary and proposed regulations will reduce the extension of time to file tax returns for certain businesses that generate Schedules K-1 and other similar statements from six months to five. Requiring these statements to be issued one month earlier, generally by Sept. 15, will provide recipients time to prepare and file returns within the extended time frames.

This change will be effective for extension requests for tax returns due on or after January 1, 2009, and applies to business entities who file the following returns and forms that have a tax year ending on or after September 30, 2008:

- Form 1065, *U.S. Return of Partnership Income*
- Form 1041, *U.S. Income Tax Return for Estates & Trusts*
- Form 8804, *Annual Return for Partnership Withholding Tax (Section 1446)*

For details, see IRS news release 2008-84 at www.irs.gov/newsroom/article/0%2C%2Cid=184347%2C00.html. **IRS**

SBA Introduces Two New Online Finance Courses for Small Business Owners

The U.S. Small Business Administration has introduced two new free online finance courses to help small business owners with the basic principles of finance and borrowing:

- *Finance Primer: Guide to SBA's Loan Guaranty Programs* at <http://app1.sba.gov/sbtlr/registration/index.cfm?CourseId=29>
- *How to Prepare a Loan Package* at <http://app1.sba.gov/sbtlr/registration/urseld=28>

ew finance courses have been added to a menu of e than 26 online tutorials offered by the SBA Small usiness Training Network (SBTN) (www.sba.gov/training). **SBA**

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