

## **Taxes for start ups and small business owners:**

Note: Record keeping is a must – See IRS Pub 583

### **Federal:**

Form 1040 is the overall form for reporting all individual Income and Self Employment (SE) payroll taxes. Start with your P&L.

- Sole Proprietor or one person LLC – use Schedules C and SE
- Partnership, Multi person LLC or Sub Chapter S – use Schedules E and SE. Data taken from Form K-1.

- Note: Small business owners pay all their own payroll taxes using Form SE at a rate approximately twice what employees pay

- Estimated taxes are paid using Form 1040- ES

- Key is to pay on time and sufficient to remain penalty free

- See Pub 505 for specifics

- If a business has employees:

- Use Form 941 for with holding taxes

- Use Form 940 for unemployment taxes [FUTA]

### **New Hampshire:**

- File BET, BPT and BT if you are above thresholds

- (Business Enterprise Tax; Bus. Profits Tax; Bus. Tax)

- Use Form NH – 1120 for corporations and Sub Chapter S

- If yearly total is above \$200 tax due, use NH-1120-ES for quarterly estimates

- If Employees: pay workman's Comp & SUTA taxes to state

- Use form Dp-10 for **all** interest & Dividends