

Frequently Asked Questions

When are estimated payments due?

ESTIMATED PAYMENT DUE DATES	
1ST PAYMENT	APR 17, 2012
2ND PAYMENT	JUNE 15, 2012
3RD PAYMENT	SEPT 15, 2012
4TH PAYMENT	JAN 15, 2012*

*We recommend paying City & State Estimated by Dec. 31st

Is my Federal ID number the same as my Social Security number?

Yes, but sometimes you may have two ID numbers:

- 1) Social Security Number
 - 2) Employer ID Number
- (this is needed if you will have employees or plan to open a Keogh/Pension Plan.)

I received a payment this year for work that I did last year.

Do I declare it as last year's income?

No, You declare income in the year that you received payment. However, compare your total income with the total 1099s income to ensure that you do not declare less than the 1099s amount.

I do not have all my 1099's — what should I do?

Add up all your freelance income received during the year and enter it on your tax data organizer Sheet #3. It is not necessary to attach the 1099s to your tax return, therefore, it is not necessary to request a 1099 from your clients.

What is the deadline for deposit of IRAs? Are there maximum amounts this year?

Deadline for IRA Contribution—April 17th.

For 2011, the maximum amount is \$5,000 per person (\$6,000 if 50 years or older) or the amount of your earned income from wages and self employment — whichever is less. But if you or your spouse were covered by an employer pension, profit sharing, 401-(k) or any other type of retirement plan, including your own Keogh or SEP plans, then you may or may not be allowed to deduct your contribution to an IRA, or you may be able to deduct less than the maximum \$5,000/\$6,000. It all depends on your total income. Consult with us.

What is the deadline for deposit of Keoghs and SEPs? What are the maximum amounts?

Deadline for KEOGH + SEPs – April 17th (Or if you are filing an extension, then the deadline is October 15th)

Amount of deposit depends on Net Income on your schedule "C" and the type of Keogh plan you adopt. The maximum deposit allowed to Profit Sharing, Money Purchase Pension or SEP for 2011 is \$49,000.

What are the new auto mileage rates?

TAX YEAR 2012		TAX YEAR 2011	
MILEAGE RATES		MILEAGE RATES	
Business	55.5¢	Business	51¢ JAN-JUNE 55.5¢ JULY-DEC
Charitable	14¢	Charitable	14¢
Medical	23¢	Medical	19¢ JAN-JUNE 23.5¢ JULY-DEC
Moving	23¢	Moving	19¢ JAN-JUNE 23.5¢ JULY-DEC