



**METZGER
TAX
SERVICE LLC**

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Specializing in Individual, Small Business, Non-profits, Estate & Trusts

Dear Business Client:

Another year winds down and another tax return needs to be filed. Most 2023 calendar year end business tax filings are due by March 15th (not April 15th).

It is imperative that you gather your tax documents and get them to us before Thursday, February 15th to ensure we get your returns completed. If you cannot get us ALL documents by February 15th, upon receipt of a signed engagement letter, we will file an extension and then complete your return when your data becomes available. If your business is a Sub Chapter S or Partnership, and the business is on extension, your personal return will also need to be on extension. Please notify us now if you anticipate a need for an extension.

Remember, **an extension is an extension of time to file, NOT AN EXTENSION OF TIME TO PAY**. You should include an estimate of any balance due with the extension or **penalties and interest** will be charged until your payments are received by the tax agencies.

Below is a quick checklist of items that we will need to complete your tax filings:

- ✓ If a change in ownership occurred in 2023, please provide a detailed explanation of the changes.
- ✓ If you or other owners made new investments in 2023, please provide a list by name, date, and amount of the investment.
- ✓ Copies of any federal or state tax correspondence received during the year.
- ✓ Copies of any equipment purchase invoices over \$500.
- ✓ Copies of any new loans obtained during the year.
- ✓ Copies of any new leases signed during the year.
- ✓ Final loan payoff details and the year-end statements for all other business loans.
- ✓ Copies of your year-end bank reconciliation(s) and bank statements.
- ✓ If you have unsold products at year end, we will need the cost of these items – your inventory cost value.
- ✓ Summary of unpaid payroll and payroll taxes at year end.
- ✓ Year-end summary of business activity-back up, online access or hard copy (Accounting software back-up, trial balance, etc.),
- ✓ Sales breakdown by state and city if applicable: City of Portland/Multnomah Cty, Tri-Met, Canby Transit Tax, Metro Tax District, etc. Call or email us to assist if needed.
- ✓ If you do payroll, we will need copies of all four quarterly 941 forms, the annual 940 and W-2's and W-3, and all four quarterly form OQ (Oregon), unless Metzger Tax prepares your payroll reporting.
- ✓ All Forms 1099-K, 1099-NEC, and 1099-Misc received.

2024 brings two areas of concern for business owners – 1) Officer Reasonable Compensation, and 2) The new Corporate Transparency Act (CTA).

Reasonable Compensation:

If you file as a Sub Chapter S business, Officer Reasonable Compensation has been around for many years, but the IRS is increasing its review of this required calculation and supportive documentation. During the calendar year 2024, we will be contacting you to review your compensation and assist in documenting this important area.

Corporate Transparency Act:

The Corporate Transparency Act (“CTA”) was enacted by Congress on January 1, 2021, as part of the National Defense Authorization Act.

The CTA includes significant reforms to anti-money laundering laws and is intended to help prevent and combat money laundering, terrorist financing, corruption, and tax fraud. The CTA establishes a beneficial ownership reporting requirement for corporations, limited liability companies, and other similar entities formed or registered to do business in the United States.

The beneficial ownership reports must be filed with the Financial Crimes Enforcement Network (FinCEN), a bureau within the U.S. Department of Treasury, electronically before December 31, 2024 or sooner under specific rules.

During 2024, we will be contacting you to assist in filing this new required report.

Another area of continued concern is the tax exposure that comes from doing business out of your home state’s business location. If you are selling goods or services out of state over the internet, or if you have employees working out of state you may need to file sales tax, payroll reports, and/or income tax returns in those states. We can certainly prepare your out of state tax filings, but it is your sole responsibility to share with us, in writing, activity you may have in other states besides Oregon.

Thank you again for choosing Metzger Tax Service to assist with your taxes. We wish you a wonderful 2024 year and look forward to working with you.

See you soon,

Rob

Robert A. Sederstrom
Certified Public Accountant

Karen

Karen C. Sederstrom
Licensed Tax Preparer