



September 25, 2010

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Business owners who have requested for an extension to their April 15 deadline to file their tax returns have until October 15 to make their filings. The obvious thing to do would be to start preparing to file now instead of wait till the last minute and panic.

Yet for many small business owners, the perennial problem of rushing to beat the tax deadline always seems to catch them unprepared. For some it is a matter of indiscipline and procrastination. The business operations always has some matter for them to attend to and the task of compiling figures to file tax returns just gets pushed down their list of priorities. Before they know it, the eleventh hour has arrived and the annual rush to submit before the tax deadline starts all over again.

For others, their financial records are shambolic and the effort needed to reconcile figures and compile data would need a motivation of gargantuan proportions to even begin. Again, the more unenviable the task is put off, the harder it becomes as the deadline draws near. To such business owners, the best advice is to employ outside help. If finances are tight, at least engage someone part time or a bookkeeping student to crunch the numbers. Every business should have an accountant but in reality, not every one does. So a part time or student bookkeeper may well be the best option.

The worst thing you could do is not file your returns for one reason or another. If you think that just because you did not file last year, you would be exempted from filing this year, you may be in for a rude shock. You will be likely slapped with a late filing

penalty, plus penalties and interest on the tax you owe. All these can become very substantial and add up quickly. In fact the IRS itself has warned that failure to file your tax returns might increase the amount of your tax liability by 25% or more.

Failure to file has repercussions. For example, if you apply for a loan of any sort, you would likely need to provide evidence of your tax returns.

If you owe taxes of more than \$25,000 you would need a Form 433-F and Collection Information Statement which requires information regarding your assets, liabilities and income.

Finally, if you have trouble paying up, you should still file your returns anyway. You can apply for a payment plan by filling up Form 9465, Installment Agreement Request.