Congratulations to the

2022 Growth Grant Winners
It is almost that time of year again, tax season. While tax season is rarely a joy for anyone, if you have only ever filed personal taxes as an employee, the first time you file business taxes may be challenging. Self-employed small business owners who are new to business taxes may find themselves dragging their feet when it comes time to file. The Reason: they may not know where to start. Filing taxes is inevitable, so being ahead of the curve can make all the difference during your first tax season. As a new small business owner, take a moment to consider our business tax prep checklist.
Hiring a CPA, EA or Accountant

There is certainly no formal requirement that you utilize the services of an outside CPA, EA, or other accounting professional to help with your business records, but having this level of assistance is great advice. Picking the right professional to help may be more complicated than making that decision in the first place. Ask for a referral from people that you already know and trust. Ask your friends, your coworkers, your clients, even some of your competitors whom they use. If you can find a professional that is already trusted by someone you trust, you will be way ahead of the game. Talk to several professionals if you can. Ask about fees and timing and related experience with other businesses similar to yours. The required knowledge base for accounting and taxation and other detail is NOT rocket science so the most important factor is finding a professional that fits with your personality and make sure you listen to your gut instincts. Also, if things don’t feel right as you move through your first few years, do not hesitate to consider a change.

Maintaining Organized Business Records

From a tax return standpoint, the most important part of maintaining organized business records is to make sure that you do not miss any eligible deductions to which you are entitled. Failure to capture all financial transactions in whatever accounting system that you utilize can only lead to paying more in federal income tax than you are required to pay. In addition, if you have well organized and comprehensive records to support your tax return, any questions that may come up later will be easy to answer. The IRS can ask for more information related to your tax return for up to three years from the date you actually file the return. The more diligent you are in maintaining your accounting records today the less stress that potential review will cause years later.

Knowing the Difference between Gross and Net Incomes

The definition of Gross income and Net income may be a bit tricky in managing your current cash flow and the money you need to set aside for Uncle Sam. However, not knowing the difference can lead to over estimating the amount you pay in estimated tax payments during the year and even the amount you might owe on April 15th. Your business’ gross income is the total money that it receives in exchange for goods sold and/or services provided and generally equals the total amount you have received from customers during the year. This amount is certainly very important but does not dictate the amount you should set aside or to pay in taxes on a quarterly basis. The well-maintained accounting records mentioned above will show that you incurred many expenses in order to bill and collect that gross income from your customers. Those items may include the cost of materials to make your product, the cost of wages for your employees, office supplies, utilities,
telephone bills, and many other items. Subtracting all of those qualified business expenses from your gross income will yield your net income. The tax rates that you will be subjected to will apply only to your net income and not to your gross income. Your quarterly estimated tax payments and indeed the total amount of your tax liability will be based on net income, AFTER considering ALL of the deductible expenses that you have incurred.

**Claiming All of Your Business’ Income**

It is very important to make sure that you are including ALL of the income generated in your small business. This includes money that you received for goods sold or services provided but also will include barter income. Barter income is basically the exchange of one product or service for another. If you provide consulting services for which you would typically charge $100 in exchange for, say, cabinet repair at your home, that $100 should be included as gross income in the same manner as if you had received the cash. In addition, regardless of how you are paid, the money is gross income. That includes check, credit cards, on-line transfers, Venmo, PayPal, and even small amounts of cash. Don’t be creative in what you include as gross income. Intentional failure to include income can be considered fraud so always, ALWAYS make sure you include all income you have earned.

**Keeping Expenses Separate**

As a new small business owner, it can be very difficult to keep personal transactions separate from business transactions. It is a great idea to make sure all items are clearly delineated between the two. Make sure you consider opening a completely separate bank account for the new business activity. Consider having a separate credit card that is used solely for business. From the day you open those new accounts always do your best to keep all of the business activity completely separate from any personal activity. At the end of the year, all of your business activity will be captured in one place, namely your business bank account. If the IRS ever asks you for more detail, they will be interested in your “business bank account”. If you can provide bank statements that only include qualified business expenses, with no payments for personal items, your IRS inquires will be much easier.
Correctly Classifying your Business and Knowing Your Filing Deadline

The appropriate IRS tax form required for your business and the ultimate due date of that return will depend on the classification of your business. So, the ultimate due date for your business tax return may not be the date that you expect and may certainly not be April 18th. The four tax classifications recognized by the IRS, along with the relevant due dates and tax forms are as follows:

- **Sole proprietorship**
  - Due date: April 18th
  - Form: Schedule C
- **Partnership**
  - Due date: March 15th
  - Form: Form 1065
- **Corporation**
  - Due date: April 18th
  - Form: Form 1120
- **S Corporation**
  - Due date: March 15th
  - Form: Form 1120S

Partnerships and S Corporations must file earlier than individuals, sole proprietors and C Corporations since many of those entity owners will need detailed information from those partnerships and S Corporation. So, if your small business is organized as a partnership or as an S Corporation, remember that your return is due on March 15th and not on April 15th.

If your small business is organized as an LLC, or Limited Liability Company, you will have an extra complication. The LLC form of organization is not a recognized entity form in the eyes of the IRS, so you must elect how you will be taxed. If you are a single member LLC, you can either be taxed as a sole proprietorship or as a corporation. Most new small businesses choose to be taxed as a sole proprietorship. If this is your case, then your tax return will be due on April 18th. If there is more than one owner in your LLC, a multi-member LLC, then you will choose to be taxed either as a partnership or as a corporation. In both cases your tax return will be due on March 15th.

Managing Payroll

Managing your small business payroll can be a daunting task and may well be the area of most scrutiny from governmental entities including the IRS and the Social Security Administration. Payroll compliance includes, in most cases, quarterly payroll tax return filing and monthly or even bi-weekly remittance of payroll tax liabilities. The best news related to payroll management is that there are hundreds of companies and professionals who can provide ideal compliance with all federal and state requirements for a very reasonable price. Before you spend too much time trying to manage your own small business payroll, consider outsourcing this function. If you choose to do this “in-house” make sure you bookmark the IRS website at IRS.gov and the NASE website at NASE.org and don’t hesitate to ask questions.
Filing an Extension Request for More Time

You may find it difficult to complete your tax return by its specific due date for many reasons. The good news is that the IRS provides an automatic extension of time to file your return, and you don’t even have to say why. The automatic extension is requested by filing IRS Form, 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return for sole proprietorships, or IRS Form 7004, Application for Automatic Extension of Time to File Certain Business Income Tax, Information, and Other Returns for Partnerships and Corporations. You can download these forms directly from the IRS website at IRS.gov and the completed form must be postmarked by the original due date of the return. Remember that the extension is ONLY an extension of time to file your tax return and NOT an extension of time to pay any tax that will be due. If you expect to owe tax, do a quick estimate of what you think you might owe and send a check with your extension request.

How Do I Learn More?

To learn more about preparing for tax season, contact the experts at NASE. Our licensed professionals will be happy to answer any questions you have.

See the Latest Press Releases from NASE

2023 Tax Filing Season: Two-Months Until Filing Deadline
Feb 15, 2023
With just two months until this year’s tax return filing deadline of April 18th, NASE today released a 5-point filing checklist to help the American public get organized in meeting the deadline.

READ FULL STORY ➤

Are You Prepared for Tax Filing Season? National Association Releases Important Tips for Filing Beneficial Returns
Feb 01, 2023
As the public, including the record-breaking millions of Americans who started their own small business over the last two years, look ahead to the 2022 tax filing season, NASE, encourages all Americans to “prepare early, gather documents, and review updates and reminders to this year’s tax system.”

READ FULL STORY ➤
Your Business Could be Featured in our Monthly e-Newsletter!

We want to hear from you!

Each month NASE publishes a new Member Spotlight in our e-Newsletter called SelfInformed, a national newsletter sent to over 50,000 members across the country with the latest news about the self-employed and micro-business community. As part of this national e-Newsletter, we want to shine a spotlight on those members, regardless of where they live, who are operating successful businesses that are growing and thriving.

GET FEATURED

Now Accepting Dependent Scholarship Applications

Multiple College Scholarships of $3,000 are Awarded Each Year

This program is open to legal dependents of NASE Members, ages 16–24. To apply, students need to be high school students or college undergraduates planning to enroll in college for the upcoming fall semester. The application period is January 1st through April 30th.

APPLY NOW
Member Benefits

Visit [NASE.org](https://www.nase.org) to learn more about the following benefits!

### Special savings from Farmers GroupSelect!

Auto and home insurance to fit unique needs with special savings is available to members from Farmers GroupSelect. Home Insurance that fits your unique needs. Take advantage of special Farmers GroupSelect™ savings.

As a NASE Member you have access to auto and home insurance from Farmers GroupSelect. This program provides special savings for members, customer service, and a full suite of products for diverse insurance needs.

**Free Quotes Are Available**

### NASE Members Save Up To 75% Off Office Supplies at Office Depot Business Solutions

Your NASE Office Depot® Member Benefits Program, previously Office Depot Business Solutions Division, has been rebranded to **ODP Business Solutions™**. Now a B2B-focused company serving small, medium and enterprise level companies like yours.

You'll receive savings of up to 75% on the Best Value List of preferred products with free next-business-day delivery* or in-store and curbside pickup.** To continue to receive your member discounts, you'll need to re-enroll or register for an account through our dedicated ODP site.

**Register Now!**

### AARP's purpose is to empower people to choose how they live as they age.

In the face of a constantly changing world, AARP evolves and invents to meet the new realities of aging. As a Wise Friend and Fierce Defender, we are active in communities nationwide to help your money, health, and happiness live as long as you do.

AARP is committed to supporting older entrepreneurs. AARP is collaborating with the NASE as a supporter of the **Growth Grants program**. The grants are targeting NASE Members who are minority business owners aged 45 and older. Through this partnership NASE and AARP are working to provide greater access to capital for business growth.

**Apply for a NASE Growth Grant sponsored by AARP today.** There will be three winners each quarter awarded a $4,000 grant to support the growth of their business.

**Apply Today!**
Member Benefits
Visit NASE.org to learn more about the following benefits!

Hire Your Kid.com

Hire Your Kid and reduce your taxable income by $12,000

Creating a job for your child can be a rewarding experience for both you and the child. A job can promote maturity, understanding, a sense of pride and self-worth. However, creating this new job will do one thing for sure, and that is save you thousands of dollars in taxes.

That’s why we are here! Your first thought to the Hire Your Kid Tool Kit most likely is that it is too good to be true. Create a job, do the paperwork, file the tax returns, report the wages, and you will pay thousands less in taxes on April 15th. The best news is that we will do all the work. You pay the kid, and we will do the rest.

NASE has partnered with Dell to bring members savings on the products they need. Dell is focused on delivering affordable computer and technology solutions that enable NASE members to make smarter decisions that impact their bottom line.

See why Dell has all the technology, expertise and service small businesses need to build and maintain an efficient business system. Visit www.dell.com/nase to Shop Now! Be sure to state that you are an NASE Member or use NASE Member ID 530016897561 to get the savings for our program.
2022 Growth Grant Winners

We would like to thank all of the NASE members who applied last year, we love to learn about your businesses and how you are making a positive impact in the communities in which you live. We would also like to congratulate those chosen to receive the Growth Grant award in 2022 as these 22 applications stood out amongst the sea of very well written and composed applications. From all of us here at NASE, thank you, well done and well deserved!

Angeline Schell
Q1 2022
Rotterdam Lot Cleaners LLC | Schenectady, NY
www.rotterdamlotcleaners.com
Angeline Schell, an NASE Member from Schenectady, New York was awarded an NASE Growth Grant in the first quarter of 2022. Rotterdam Lot Cleaners is an environmentally friendly litter removal and commercial property cleaning company.

Isaiah Ruffin
Q1 2022
Project Pizza | Laporte, CO
www.projectpizzaco.org
Isaiah Ruffin, an NASE Member from Laporte, Colorado was awarded an NASE Growth Grant in the first quarter of 2022. Project Pizza is the dream child of Chef Isaiah where he combines his passion for food with the opportunity to support school gardens and other activities that educate the youth on how food is grown, processed, distributed, consumed, and managed.

Jeffrey Malkoon
Q1 2022
Americano Foods, LLC | Phoenix, AZ
eatamericano.com
Jeffrey Malkoon, an NASE Member from Phoenix, Arizona was awarded an NASE Growth Grant in the first quarter of 2022. Americano Foods is a socially responsible peanut butter and almond butter manufacturer serving up not just a healthy natural product but also happiness throughout the Americas.

Brandon Vega
Q1 2022
Wheelhouse Training, LLC | Hillsborough, NJ
wheelhousetrainingbaseball.com
Brandon Vega, an NASE Member from Hillsborough, New Jersey was awarded an NASE Growth Grant in the first quarter of 2022. Wheelhouse Training dedicated to guiding athletes to a high level of performance through extreme attention to detail and dedication.
Christina Metcalf  
Q2 2022  
The Little Coffee Shack LLC | Parachute, CO  
www.thelittlecoffeeshack.com  
Christina Metcalf, an NASE Member from Parachute, Colorado was awarded an NASE Growth Grant in the second quarter of 2022. The Little Coffee Shack is a locally owned and operated family business serving delicious drinks and baked goods.

N’jeri Agyeman  
Q2 2022  
Zaria Cards | Great Mills, MD  
www.zariacards.com  
N’jeri Agyeman, an NASE Member from Great Mills, Maryland was awarded an NASE Growth Grant in the second quarter of 2022. Zaria cards specialize in authentically handmade greeting cards that are handwritten and illustrated in-house.

Linda Marini  
Q2 2022  
Play and Stay Dog Lounge | Ottawa, IL  
playandstaydoglounge.com  
Linda Marini, an NASE Member from Ottawa, Illinois was awarded an NASE Growth Grant in the second quarter of 2022. Play and Stay Dog Lounge offers high quality and affordable services and socialization for all dogs. Services include boarding, daycare, training, grooming and multiple play areas.

Sunny Stroeer  
Q3 2022  
AWEexpeditions | Kanab, UT  
www.awexpeditions.org  
Sunny Stroeer, a NASE member from Kanab, Utah was awarded a NASE Growth Grant in the third quarter of 2022. AWE organizes all-women’s mountaineering and remote adventures for women, by women across four continents, with more destinations in the works. Sunny plans to put the grant towards the hiring of Operations Manager to aid in the back-end tasks while she continues to grow the business.

Pearlie Heyward  
Q2 2022  
Seven Flowers, LLC | Bowman, SC  
www.sevenflowersllc.com  
Pearlie Heyward, an NASE Member from Bowman, South Carolina was awarded an NASE Growth Grant in the second quarter of 2022. Seven Flowers is a flower company specializing in hand-tied bouquets and funeral service flowers.

Trevor Barrett  
Q3 2022  
Barrett Knives | Haines, AK  
www.barrett-knives.com  
Trevor Barrett, a NASE member from Haines, Alaska was awarded a NASE Growth Grant in the third quarter of 2022. Barrett Knives creates handcrafted and hand forged knives and made-to-order custom metal products. Trevor plans to use the grant to purchase a new bladesmithing grinder and attachments to boost production and sales.
Maria Burgio-Kline
Q3 2022
Clover & Lamb Design and Letterpress Studio | Bend, OR
www.cloverandlamb.com
Maria Burgio-Kline, a NASE member from Bend, Oregon was awarded a NASE Growth Grant in the third quarter of 2022. Clover & Lamb uses a printing press dated to the year 1889 to create high quality custom stationery, invitations, cards and other paper products. Maria plans to use the grant for networking and participation in local business groups as well as local marketing & advertising.

Laxmi Naik
Q3 2022
Spectrum Integrative Health | Dunwoody, GA
spectrumihealth.com
Laxmi Naik, a NASE member from Dunwoody, Georgia was awarded a NASE Growth Grant in the third quarter of 2022. Spectrum Integrative Health uses a functional medicine approach to address the underlying causes of disease by being systems-oriented and engaging both patient and practitioner in a therapeutic partnership. Laxmi plans to use the grant funds for technical support, legal structuring, and marketing.

Orlando Arroyo
Q3 2022
Try Just Coffee | West New York, NJ
www.tryjustcoffee.com
Orlando Arroyo, a NASE member from West New York, New Jersey was awarded a NASE Growth Grant in the third quarter of 2022. Try Just Coffee sources coffee beans directly from Colombia and ships them directly to its facilities in West New York. From there, the beans get roasted and distributed both locally and online. Orlando plans to put this grant towards the purchase of a new roaster.

Jarod Foreman
Q3 2022
Fresh Cup Coffee & Tea Company | Virginia Beach, VA
www.freshcup2u.com
Jarod Foreman, a NASE member from Virginia Beach, Virginia was awarded a NASE Growth Grant in the third quarter of 2022. Fresh Cup Coffee & Tea Company offers consumers a wide variety of gourmet coffee, teas and cookies. Jarod plans to use the grant funds to increase advertising and brand recognition.

Randy Gibson
Q3 2022
Gibson Music & Arts | Philadelphia, PA
www.gibsonschoolmusic.com
Randy Gibson, a NASE member from Philadelphia, Pennsylvania was awarded a NASE Growth Grant in the third quarter of 2022. Gibson School of Music & Arts offers a place where people of all ages can come and learn Music, Dance, Voice & Drama. Randy plans to use the grant funds to purchase new computer equipment.

Garrett Corwin
Q4 2022
Piedmont Microgreens | Durham, NC
www.piedmontmicrogreens.com
Garret Corwin, a NASE member from Durham, North Carolina was awarded a NASE Growth Grant in the fourth quarter of 2022. Piedmont Microgreens is an urban farm within biking distance of the Five Points area in downtown Durham. Their mission is to provide beautiful, fresh, and delicious greens without the impact, complexity, or uncertainty of the traditional food system.
Ksenia Panomarenko
04 2022
KPD Contractors | Washington, D.C.
kpdcontractors.com
Ksenia Panomarenko, a NASE member from Washington, D.C. was awarded a NASE Growth Grant in the fourth quarter of 2022. KPD Contractors is a close-knit team of creative professional engineers, architects, project managers, technicians and more. The team can handle anything from plumbing, electrical and roofing to foundations, framing, flooring, drywall and paint.

Susan Aceti
04 2022
Challenging Dogs Boarding & Daycare | Laurel, MD
challengingdogs.com
Susan Aceti, a NASE member from Laurel, Maryland was awarded a NASE Growth Grant in the fourth quarter of 2022. Challenging Dogs is a pool of trained dog sitters and walkers who service a variety of areas in Maryland, Virginia and the District of Columbia.

Lealem Mulugeta
04 2022
Medalist Performance | Houston, TX
medalistperformance.com
Lealem Mulugeta, a NASE member from Houston, Texas was awarded a NASE Growth Grant in the fourth quarter of 2022. Medalist Performance is not just a personal training business. They are dedicated to delivering state of the art physical, physiological and mental peak performance coaching for active and aspiring athletes, astronauts, tactical personnel and executives.

Susan Fife
04 2022
Animal Acupuncture & Chiropractic Care | Brookville, OH
www.k9splashzone.net
Susan Fife, a NASE Member from Brookville, Ohio was awarded a NASE Growth Grant in the fourth quarter of 2022. K9 Splash Zone is a 14 acre fully fenced facility situated in the Dayton-Cincinnati-Columbus area. It is not only the largest dock diving pool in the area but is also the only Competition Size Pool in the region.

Lisa Quattlebaum
04 2022
The Homesteadista | Philadelphia, PA
www.thehomesteadista.com
Lisa Quattlebaum, a NASE member from Philadelphia, Pennsylvania was awarded a NASE Growth Grant in the fourth quarter of 2022. The Homesteadista is the only real-world, woman-centered go-to guide for city living that’s good, good for you, and good to you.

Yoli Rabadan Barragan
04 2022
Barro | Gresham, OR
barropdx.weebly.com
Yoli Rabadan Barragan, a NASE Member from Gresham, Oregon was awarded a NASE Growth Grant in the fourth quarter of 2022. Barro is a Mexican baking company crafting authentic products mixing the best local ingredients with imported specialty spices from Mexico. They also infuse Mexican flavors to classic desserts to create something completely different and familiar all at the same time.
Providing NASE members like you with access to a discounted insurance program is important to us. That’s why we want to remind you that you have access to Farmers GroupSelect™ auto and home insurance. Through this program, you could enjoy special group discounts, plus:

- Others have saved 22%** on average on auto insurance by switching
- Apply for quality policies that you can tailor to suit your needs and budget
- You’ll have access to 24/7 claim support

We’re providing you with this information to ensure you’re aware of this program that’s available to you as a NASE member. For more details, call Farmers GroupSelect at 855-544-2158.

The discount code for NASE members is **BIV**.

FREE QUOTES from Farmers GroupSelect
New Faces in Support of Small Business

The 118th Congress is officially underway, both the Senate and House have finally finished organizing themselves, this includes appointing members to committees. As it relates to small business policy and oversight, we have some new faces leading and joining the committees of importance.

Senate Small Business and Entrepreneurship Committee
The Senate committee will continue to be chaired by Senator Ben Cardin (D-MD), who has led the committee for six years, playing a crucial role in the Covid-19 relief efforts that supported the small business and self-employed communities. Per his stated focus, “Senator Cardin’s top priority as Chair is to use federal policies and congressional action to achieve equity for under-served entrepreneurs in a holistic way.”

The Republicans have chosen Senator Joni Ernst (R-IA) to serve as ranking member, following the contentious leadership of Senator Rand Paul (R-KY) who served as ranking member for four years. Senator Ernst, whose partners were small business owners, is the first female combat veteran elected to serve in the United States Senate.

The committee members largely remain the same, the Republicans have extended a seat to incoming Freshman Senator, Ted Budd (R-NC).

House Small Business Committee
With the flip in the House, the Republicans have assumed the chairmanship of the House Small Business Committee, placing Congressman Roger Williams (R-TX) atop the committee. A small business owner for nearly 50 years, running a family-owned car dealership and calf-cow operation, makes him uniquely suited to serve and lead the committee.

Former Chair of the Committee, Rep. Nydia Velázquez, assumes the ranking member position on the committee. She has served on the committee since her election to the House in 1992.

As we approach the 2025 expiration of the Tax Cuts and Jobs Act (TCJA) provisions, the tax committees in both the House and Senate will continue to be the epicenter of action.

Tax Committees
The Senate Finance Committee will continue to be led by Senator Ron Wyden (D-OR) and Senator Mike Crapo (R-ID). In the House, the Ways and Means Committee is being led by new Chairman Jason Smith (R-MO) who ascended to the committee leadership following the successful tenure of Rep. Kevin Brady (R-TX) who retired at the end of the 117th Congress. Rep. Richard Neal (D-MA) maintains his leadership role as the ranking member.

Most of the activity we will see around small business policy will be generated by these four committees. We will continue to provide timely updates and analysis of tax proposals and legislation as the 118th Congress jumps into its work.

Katie Vlietstra is NASE’s Vice President for Government Relations and Public Affairs; You can contact her at kvlietstra@nase.org.