

SelfInformed

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Member Spotlight

**Patty
Ross**

**Golden State
Marketing**



WHAT THE NEWLY IMPLEMENTED
IRS MODERNIZATION PLAN
MEANS FOR THE SELF-EMPLOYED

For many small business, micro business, and family business owners, tax season can cause a big enough headache that they turn to a tax professional for guidance. Luckily for small business owners and self-employed individuals, the Internal Revenue Service (IRS) is in the midst of a six-year **IRS Modernization Plan** that is designed to simplify and streamline tax processes while improving how the agency interacts and communicates with taxpayers and the tax community.



Some of the initiatives of the plan include offering quick and exceptional customer service support to the taxpayer community, adding new digital tools and features to simplify tax processes, providing notifications with clear instructions that taxpayers can respond to in real-time, and strengthening cybersecurity protections and information technology systems. The IRS has begun introducing the new initiatives and additional features will roll out this year that are designed specifically for the small business owner, entrepreneur, and self-employed community.

The IRS Plan's Four Modernization Pillars

With the new IRS mission that focuses on future development needs, there is a lot for the self-employed and small business owners to look forward to if they plan on doing their own taxes. The IRS Modernization Plan focuses on four areas that will improve the taxpayer's overall experience, while saving them time spent on filing taxes and receiving refunds. The efforts to modernize the IRS are especially needed since the agency still relies on systems that are in some cases 60 years old. Many small business owners will opt to do their own taxes once they become familiar with the simplified

process and customer support that is now available, so they will be able to save money by not turning to a tax professional. The IRS Modernization Plan's four modernization pillars include:

Taxpayer Experience – The IRS is expanding digital options, tools, and features, improving traditional channels such as adding mobile-friendly services and forms, and providing simplified and proactive services to improve the taxpayer experience.

Core Taxpayer Services and Enforcement – The IRS is improving upon the tax experience it offers taxpayers by improving case management, account management, and real-time tax processing so that employees and taxpayers alike have a complete view of their interactions and history.

Modernized IRS Operations – The IRS is modernizing its operations by using innovative technologies and processes, such as robotic process automation and next generation infrastructure to reduce costs.

Cybersecurity & Data Protection – The IRS is strengthening how it protects taxpayer data and aligning to government-wide cybersecurity standards and priorities.

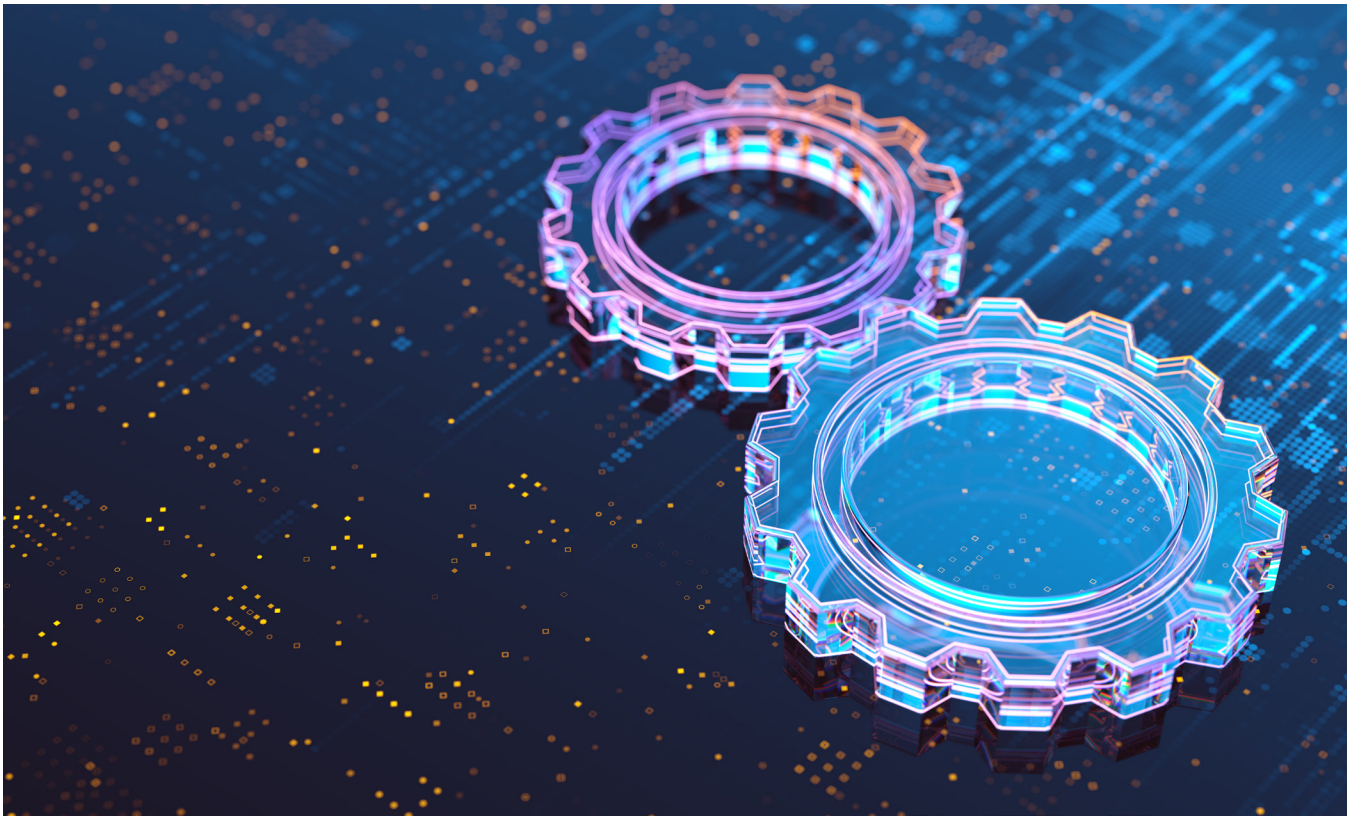
New and Expanded Features Designed for Small Business Owners and the Self-Employed

The IRS has recently launched and expanded upon many tools, features and services with the small or micro business owner and self-employed in mind to improve their experience and interactions with the IRS. The new tools and features designed for small business owners and the self-employed include Business Online Accounts, Individual Online Accounts, Where's My Refund? tool, Direct File and more. New features similar to these will continue to roll out that will be useful to the business owner who is just now starting a business or growing a business. More information on the newest features, tools, and services the IRS has unleashed are below:

Business Tax Accounts – This new feature was specifically designed with small business taxpayers in mind and gives business owners that qualify access to several account features in order to manage their federal tax obligations. Small business taxpayers can use their account to see their tax information, track refunds, schedule and track payments, respond to notices, file documents online, request a tax check to see if the business is compliant with federal tax requirements, access business tax transcripts in an easy-to-read format, and more. If you are a business owner who is building a business, you might find the option to grant your employee's access to the account particularly useful.

Tax Credit Assistance – The IRS plans to introduce a “credits and deductions” search tab on the website to assist small business owners and entrepreneurs. In addition, business owners can choose to opt in for personalized alerts and will be able to partner with nonprofits and other local entities to expand outreach efforts.

Individual Online Accounts – This enhanced feature now includes customer service chat, the option to schedule and cancel payments, revise payment plans and validate and save bank accounts. In addition, account holders can access tax records, manage communication preferences, go paperless on certain notifications and more. Improved processing times and faster refunds will occur as the IRS automates paper-based processes and makes more forms available online.



IRS Online Portal – A series of online service tools will simplify the tax process for business owners and the self-employed. Forms and tax documents, such as Form 1099, can now be submitted electronically and notices, such as LTR0143C, Signature Missing, correction of self-employment income, employment-related identity theft, and dozens of other notifications can now be responded to online. In addition, the IRS will also simplify the language in the tax forms, provide clear instructions on what taxpayers need to do on each form, and convert them to mobile-friendly.

Where's My Refund? Tool – The IRS made improvements to its most popular taxpayer service tool, the Where's My Refund? tool. The tool will update each day and taxpayers will receive more detailed refund status messages, including whether the IRS needs them to respond to a letter requesting additional information. You will also be able to access this service tool on your mobile device.

IRS Free File – IRS Free File will be available on [IRS.gov](https://www.irs.gov) starting Jan. 12, 2024 in advance of the filing season opening. This service allows qualified taxpayers to prepare and file federal income

tax returns online using guided tax preparation software at no cost, while those who don't qualify can use Free File Fillable Forms.

Direct File – The new pilot tax filing service will give eligible taxpayers in participating states a new choice to file their 2023 federal tax returns online, for free, directly with the IRS. It will be rolled out in phases and will become available to more taxpayers in the future. This free tax service in English and Spanish will give taxpayers a step-by-step guide about taxes, real-time online support from IRS customer service representatives, the ability to use their smartphone, laptop, tablet, or desktop computer to access Direct File and file a 2023 federal tax return.

Customer Service – Customer service was among one of the biggest priorities for the IRS to better connect with taxpayers and provide them with the help they need in a timely manner.

The IRS aims to expand its customer service efforts by opening and reopening Taxpayer Assistance Centers (TACs), increasing help available on the toll-free line, provide a customer call back feature that will vastly reduce wait times and will offer extended hours at many TACs nationwide during tax season.

Helpful Tips Regarding Self-Employed Taxes

The modernization efforts have already had a significant impact on the IRS in all areas, including customer service and efficiency. In the 2022 tax season, only 13 percent of the people who called the IRS agency reached a live person, and the agency had a backlog of 29 million unprocessed tax returns and pieces of correspondence. By 2023, 87 percent of callers reached a live person, and all the error-free tax returns were cleared from its backlog. In addition, the agency electronically scanned 225 times more documents than it did in 2022, and taxpayers were able to reply to an additional 51 forms and letters online rather than with paper.

The new developments in the IRS Modernization Plan will drastically improve any small business owner, entrepreneur or self-employed individual's tax experience. The IRS encourages taxpayers to take steps now to prepare to file their tax returns by gathering all the information they need such

as tax records, social security numbers, individual taxpayer identification numbers, and more so that everything is accurately reported. Since you will be reporting all taxable income you should wait to file until you receive all income related documents. With new improvements in the system, plan to file electronically with direct deposit for the fastest and easiest way to file and receive a refund.

The IRS is committed to providing the best experience to taxpayers, so take advantage of the customer support, tools and services that are now offered. After filing, be on the lookout for notifications so you can quickly take care of issues as they emerge, which will lead to a quicker refund if eligible. For small business owners and self-employed individuals, the changes and added support from the IRS will definitely ease the tax process. We at The National Association for the Self-Employed (NASE), wish you all a Happy Tax Season!

See the Latest Press Releases from NASE



New and Updated Tax Rules Can Benefit Filers and Significantly Impact a Small Business' Bottom Line

Feb 01, 2024

NASE encourages all Americans to "prepare early, gather documents, and review updates to this year's tax system, including obligations, responsibilities, and deductions filers need to be aware of for their returns."

[READ FULL STORY →](#)



Record 16 Million New Small Business Boom Continues Three Years in a Row

Jan 11, 2024

NASE applauds the continued new small business surge suggesting the economic transformation of the American workforce continues to be your own boss movement.

[READ FULL STORY →](#)

[READ ALL PRESS RELEASES](#)

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.

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ANNOUNCEMENT



Dependent Scholarship Applications Opened January 1st

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**.

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Helpful!

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Being the boss often means you are also head of marketing, sales, accounting, HR and more. And sometimes you could use some help.

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Meet Our Experts

From federal tax to state tax, from auto deductions to depreciation, from estimated taxes to penalties and interest, and everything in between, we are here to help with any question that you might have.

Our CPAs and **tax professionals** have over 100 years of small business tax experience and we have answered literally hundreds of thousands of questions over the last 35 years. We hate to use the words “logic” and “IRS” in the same sentence, but if you have a question about taxes and the IRS, NASE is the logical place to find the answer.



Save 20% on the No. 1 online tax preparation program.

NASE Association Members **Save up to 20%** on TurboTax federal products. TurboTax Online makes filing your taxes easy...and it's quick and affordable, too.

- Prepare your taxes for free and pay only when you're ready to print or file
- No software to install
- File electronically and get your refund faster
- File before April 1 and take advantage of “Early Filer” pricing

turbotax
Do your own taxes

\$0-\$89
\$0*-\$71.20
State additional for paid products

Start for free
Pay only when you file

★★★★★ (4.5 | 105,443 reviews)
Star ratings are from 2023

LIVE Assisted
Experts help as you do your taxes

\$89-\$169
\$0*-\$135.20
State additional for paid products

Start for free
Pay only when you file

★★★★★ (4.7 | 69,993 reviews)
Star ratings are from 2023

LIVE Full Service
We do your taxes for you

Starting at:
\$89 \$80.10
Price includes W-2 and 1040. State additional

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Pay only when we file

★★★★★ (4.9 | 9,359 reviews)
Star ratings are from 2023

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Get 30% off QuickBooks for 6 months



QuickBooks gives you the power to manage your business more effectively by providing you with fast, easy, and integrated solutions to meet the needs of your business. Whether you're looking for financial, customer or retail management software, **QuickBooks** has a solution for you!



Simple Start	Essentials	Plus	Advanced
\$30 \$21/mo	\$60 \$42/mo	\$90 \$63/mo	\$200 \$140/mo
Save 30% for 6 months*	Save 30% for 6 months*	Save 30% for 6 months*	Save 30% for 6 months*
Choose plan	Choose plan	Choose plan	Choose plan
Access expert tax help NEW with QuickBooks Live Tax Income and expenses Bookkeeping automation NEW Invoice and payments Tax deductions General reports Receipt capture Mileage tracking Cash flow Sales and sales tax Estimates Contractors Connect 1 sales channel	Access expert tax help NEW with QuickBooks Live Tax Income and expenses Bookkeeping automation NEW Invoice and payments Tax deductions Enhanced reports Receipt capture Mileage tracking Cash flow Sales and sales tax Estimates Contractors Connect 3 sales channels Multiple currencies Bill management Includes 3 users Enter time	Access expert tax help NEW with QuickBooks Live Tax Income and expenses Bookkeeping automation NEW Invoice and payments Tax deductions Comprehensive reports Receipt capture Mileage tracking Cash flow Sales and sales tax Estimates Contractors Connect all sales channels Multiple currencies Bill management Includes 5 users Enter time Inventory Project profitability Financial planning NEW	Access expert tax help NEW with QuickBooks Live Tax Income and expenses Bookkeeping automation NEW Invoice and payments Tax deductions Powerful reports Receipt capture Mileage tracking Cash flow Sales and sales tax Estimates Contractors Connect all sales channels Multiple currencies Bill management Includes 25 users Enter time Inventory Project profitability Financial planning NEW Auto-track fixed assets NEW Data sync with Excel Employee expenses Batch invoices and expenses Custom access controls Workflow automation Data restoration 24/7 support & training Revenue recognition



Member Benefits

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Helpful!

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*Contact your rep for program terms and restrictions

From simple payroll to HR support, recruiting, and employee handbooks, ADP® has you covered. As your needs change, effortlessly add other ADP services, like insurance, retirement, and timekeeping. In a snap, you can also connect RUN with your favorite accounting, POS, HR, and business software.

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Human Resources — Attract top talent with solutions for every employment stage.

Benefits — Take benefits and insurance administration off your plate and boost employee retention.

Time Management — Integrate and optimize time, attendance, and payroll.

Mobile Access — Award winning mobile app gives your workers the power to: View pay & W-2s, manage time off, submit time sheets, and enroll in benefits.

[Click Here to have ADP contact you.](#)



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To View the Dell Sponsored Growth Grants

[Click Here](#)

To access these benefits, visit www.Dell.com/NASE or call **(855) 900-5548** to speak with a Small Business Advisor. For any additional questions around your Dell benefits email NASE's Account Executive at Kelsey_Sewalson@Dell.com



MEMBER SPOTLIGHT

Marketing Self-Employment

Golden State Marketing was founded in 2006, helping entrepreneurs and business owners with social media, email marketing, content marketing and strategy as well as promotional products. I have well over 20 years of experience. I am a California native, born and raised in Los Angeles and have lived in the San Francisco Bay Area and Central Coast. I also teach webinars and workshops for business organizations, chambers and trade groups.

When and why did you join NASE?

I was actually a member in the early 2000's but just rejoined in 2023

What inspired you to enter the field you are in?

I originally was in journalism and PR, but always have loved marketing. I love teaching it, coaching it and doing it!

When and why did you start your business?

I am an accidental entrepreneur actually. After spending a few years in the wine industry on the technology side, I had some clients ask me to help them privately and so I started a virtual wine club and customer service business for wineries back in 2006 and from there have worked for myself!

How do you market your business?

I primarily obtain clients through my teaching marketing webinars. I also spend time networking in person and virtually as well as email marketing to my list of business owners. I also stay active on social media.

What challenges have you faced in your business?

Getting it all done! I finally brought on a virtual assistant in 2021. She is part time, but it was a big leap for a solopreneur to learn to delegate so I can work ON my business instead of IN my business.

Do you have any employees?

I currently have a part time virtual assistant. I currently do not have immediate plans to hire, but will first make my current VA more full time.

What’s your schedule like, what’s a typical day for you?

My days are typically filled with zoom sessions with my private coaching clients as well as my advising clients through the LA Chamber advising program. I also teach marketing webinars almost every week so my schedule may also include a 2 hour webinar on one of my marketing topics. Every day is always different but always involves a lot of marketing.

What’s the best thing about being self-employed?

I love working my own dream rather than someone else’s! My schedule is mine. I make all the decisions and I set my own schedule.

What’s the best compliment you’ve ever received from a client?

I LOVE when business owners email me after attending one of my webinars and tell me how much they loved it and how helpful it was. If I can help a business owner with one little tip or tool and it helps, that makes my day!

What’s the most important piece of advice you would give to someone starting their own business?

Be ready for a rollercoaster ride! You will have good days, great days..you will doubt yourself and your decision to start a business, but keep your eyes on the prize! You can do it!!

Which NASE member benefit is most important to you?

I reach out to other business owners. I have not used any of the benefits or discounts yet, but I have reviewed them and keep them in mind if I do need them!





CONGRESS ADVANCES IMPORTANT TAX PACKAGE

On January 31, the House, in an overwhelming bipartisan vote of 357-70 vote, passed the Tax Relief for American Families Act. We anticipate that the Senate will follow suit and consider the package after the President's Day recess.

The bill is a bicameral, bipartisan effort by Senate Finance Chairman Ron Wyden (D-OR) and House Ways & Means Committee Chairman, Jason Smith (R-MO) and includes several significant provisions, including the expansion of the Child Tax Credit (CTC), restoration of Section 174 expensing for US-based R&D investments, and 100% 'bonus' depreciation through the end of 2025 on an elective retroactive, seamless basis. Notably, the bill also includes the expansion of Section 179 small business expenses, as well as disaster relief measures.

- **CTC Expansion:** The Tax Relief for American Families Act would expand the CTC for millions of low-income families, phasing in the credit per child for low-income families so they receive the same credit for each of their children. The bill would gradually raise the cap on refundability by 2025, where parents earning \$15,000 with two children would go from receiving \$1,875 to \$3,600. It would also allow parents to use income from previous years if those would result in larger credit.
- **Expansion of Section 179:** Under the bill, businesses of all sizes would be able to

immediately deduct the cost of U.S. based Research and Development (R&D) investments.

- **'Bonus' depreciation:** The bill extends 100% bonus depreciation from January 1, 2023, through December 31, 2025.
- **Section 179 Expansion:** The bill would increase the amount of investment that a small business can immediately write off to \$1.29 million from \$1 million.
- **Disaster Relief:** The tax package includes disaster relief covering recent hurricanes, flooding, wildfires, and the Ohio rail disaster.

The bill is currently facing some opposition by Republican Senators, specifically, concerns by Senate Finance Ranking Member Crapo (R-ID). However, lawmakers on both sides of the aisle are confident that they will be able to move the package forward.

If signed into law, the Tax Relief for American Families would provide significant benefits for small businesses and entrepreneurs.

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