



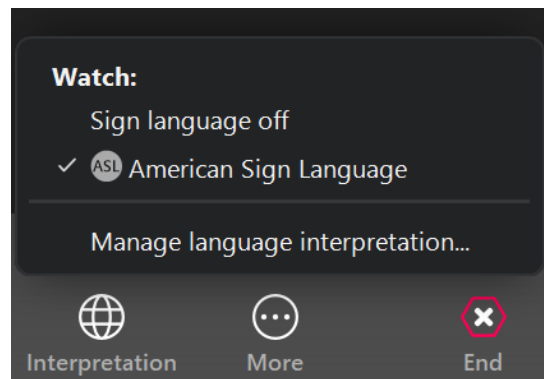
ndi | **20** YEARS OF
IMPACT
ESTABLISHED 2005

Thank you for joining us!
The webinar will begin momentarily.

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- This webinar is being recorded. Video, slides, and materials will be available on the Past Events page at DisabilitySmallBusiness.org within 1–2 weeks.

NDI Small Business Hub Programs (Slide 1 of 3)

Inclusive Ventures: 21st Century Strategies for Entrepreneurs with Disabilities

5-year grant funded program that began October 1, 2024, and will support the following:

- **State Vocational Rehabilitation agencies** updating policies on small business start-up and development
- **State Vocational Rehabilitation counselors** seeking training and confidence in supporting self-employment
- **Disability employment services providers** expanding their support of self-employment
- **Entrepreneurial Support Organizations** adopting more inclusive practices to support individuals with disabilities
- **Entrepreneurs with disabilities** at any stage of business development

NDI Small Business Hub Programs (Slide 2 of 3)

Verizon Small Business Digital Ready

Learning

- On-demand videos, tools, and courses on marketing, legal, financial, operations and trending topics (available in English, Spanish and with Chinese subtitles)

Community and Networking

- Interactive sessions for goal-sharing and feedback
- Live expert workshops

Funding

- Small Business Funding Marketplace (powered by Next Street)
- Access to \$10,000 grant opportunities by completing 2 classes/live sessions

[Register Now](#)

NDI Small Business Hub Programs (Slide 3 of 3)

- Are you a business owner or aspiring entrepreneur with a disability looking to **start, build, or grow** your business? Visit DisabilitySmallBusiness.org for events and resources.
- Stream informational and motivational video content for disability owned small businesses at DisabilityOwned.com.
- Want to “Stay In The Know” about NDI’s Small Business Hub? Join our [mailing list!](#)
- Questions or concerns? Email info@disabilitysmallbusiness.org.

Upcoming Events

[SSDI and Self-Employment: Part 1 of 2](#)

Presented by: Aleyda Toruno, Cornell University
March 18, 2026 at 2 PM ET

[SSI and Self-Employment: Part 2 of 2](#)

Presented by: Debora Wagner, Cornell University
April 15, 2026 at 2 PM ET

(One registration link for both events in the series)

Understanding Federal Taxes for Small Business

Presented by:
Carol Xie and Daniel Webber
March 4, 2026



**Communications & Liaison
Tax Outreach, Partnership and Education**



Understanding Federal Taxes for Small Businesses

**Carol Xie, Daniel Webber
Public Affairs Specialist, IRS**



Presenters

**Public Affairs Specialist
Tax Outreach Partnership & Education, IRS**



Carol Xie



Daniel Webber



Objectives

- **Learn basic federal tax responsibilities for small business**
- **Explain the forms of business organizations**
- **Understand IRS Form 1040 Schedule C Profit/Loss from Business**
- **Define Gross Profit, Gross Income, Expenses, Net Profit**
- **Advise clients how to select a paid tax preparer**
- **Discover IRS Resources and Online Tools for Small Business Owners**



Employer Identification Number-EIN

- ❖ Identifies tax returns filed with the IRS
- ❖ Employer Identification Number is required:
 - Pay wages
 - Self-employed retirement plan
 - Partnership or corporation
 - Employment, excise, fiduciary or ATF returns
 - Banks or other businesses may require an EIN
- ❖ Apply online for an EIN at [IRS.gov/EIN](https://www.irs.gov/ein)
- ❖ [Publication 5845](#)
- ❖ [Tax Topic 755 – Employer Identification Number](#)



Recordkeeping

- ❖ Keep all documents verifying income, deductions and credits
- ❖ Timeframes:
 - Minimum three years
 - Employment tax – four years
 - Business property – life of the asset
- ❖ Publication 583, Starting a Business and Keeping Records
- ❖ Tax Topic 305 – Recordkeeping
- ❖ IRS.gov – Search: “record keeping”



Types of Business Structures

Sole proprietorship



Partnership



Corporation



S corporation



Limited liability company



For more information: *Small Business Self-Employed Tax Center:*
IRS.gov/smallbiz – click on “Business Structure”



Sole Proprietorship

Unincorporated – one person owns

Simplest type of business organization

Sole owner has complete control

Owner assumes the risks of all personal and business assets

Capital is limited to what owner can raise

Files Form 1040 with Schedule C and Schedule SE

Qualified joint ventures

Publication 334, *Tax Guide for Small Business*
(For Individuals who use Schedule C)



Partnership

Two or more partners

Partners contribute money, property, labor or skills

Partners share in profits and losses

Easy to organize

Definite legal status

Decisional authority divided

Liability of partners is usually unlimited

Files Form 1065

Each partner gets a Form 1065, Schedule K-1

Publication 541, *Partnerships*



Corporation

Legal entity – separate from its owner(s)

Rights and duties of its own

Owner(s) are stockholder(s) / shareholder(s)

Stockholders have limited liability

Transfer of ownership is easy – e.g., sell stock

Raising capital and expanding may be easier

Subject to tax on income at corporate level

Dividend income is taxed at shareholder level

Files Form 1120

Publication 542, *Corporations*



S Corporation

Shareholders elect to have S corporation profits or losses taxed like a partnership

File Form 2553, *Election by a Small Business Corporation*

- By the 15th day of the 3rd month of the 1st year

S corporation does not pay tax on income from daily operations; income, losses, deductions and credit pass through to shareholders

Shareholders report income on personal tax returns

Files Form 1120-S

Each shareholder gets Form 1120-S, Schedule K-1



Limited Liability Company

Legal entity created under state law

Owner(s) referred to as member(s)

Member(s) can have limited personal liability

Like a partnership, provides management flexibility
and flow-through taxation

LLC may be treated as a sole proprietorship, a partnership
or a corporation

Form 8832, *Entity Classification Election*



Deeper Dive: Sole Proprietors

Overview of Form 1040, Schedule C Profit or Loss



Calculate gross profit and gross income



Identify and deduct expenses



Calculate net profit or loss



Cover areas of interest on Form 1040



Discuss self-employment tax and estimated tax



Form 1040 Schedule C Profit or Loss from Business

SCHEDULE C (Form 1040)		Profit or Loss From Business (Sole Proprietorship)		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		Attach to Form 1040, 1040-SR, 1040-SS, 1040-NR, or 1041; partnerships must generally file Form 1065. Go to www.irs.gov/ScheduleC for instructions and the latest information.		2023 Attachment Sequence No. 09
Name of proprietor		Social security number (SSN)		
A Principal business or profession, including product or service (see instructions)		B Enter code from instructions		
C Business name. If no separate business name, leave blank.		D Employer ID number (EIN) (see instr.)		
E Business address (including suite or room no.) City, town or post office, state, and ZIP code				
F Accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) _____				
G Did you "materially participate" in the operation of this business during 2023? If "No," see instructions for limit on losses <input type="checkbox"/> Yes <input type="checkbox"/> No				
H Did you start or acquire this business during 2023, check here <input type="checkbox"/> Yes <input type="checkbox"/> No				
I Did you make any payments in 2023 that would require you to file Form(s) 1099? See instructions <input type="checkbox"/> Yes <input type="checkbox"/> No				
J If "Yes," did you or will you file required Form(s) 1099? <input type="checkbox"/> Yes <input type="checkbox"/> No				
Part I Income				
1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked <input type="checkbox"/>				1
2 Returns and allowances				2
3 Subtract line 2 from line 1				3
4 Cost of goods sold (from line 42)				4
5 Gross profit. Subtract line 4 from line 3				5
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)				6
7 Gross income. Add lines 5 and 6				7
Part II Expenses. Enter expenses for business use of your home only on line 30.				
8 Advertising		18 Office expense (see instructions)		18
9 Car and truck expenses (see instructions)		19 Pension and profit-sharing plans		19
10 Commissions and fees		20 Rent or lease (see instructions):		20a
11 Contract labor (see instructions)		a Vehicles, machinery, and equipment		20b
12 Depletion		b Other business property		21
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)		21 Repairs and maintenance		21
14 Employee benefit programs (other than on line 19)		22 Supplies (not included in Part III)		22
15 Insurance (other than health)		23 Taxes and licenses		23
16 Interest (see instructions):		24 Travel and meals:		24a
a Mortgage (paid to banks, etc.)		a Travel		24b
b Other		b Deductible meals (see instructions)		25
17 Legal and professional services		25 Utilities		26
		26 Wages (less employment credits)		27a
		27a Other expenses (from line 48)		27b
		b Energy efficient commercial bldgs deduction (attach Form 7205)		28
28 Total expenses before expenses for business use of home. Add lines 8 through 27b				28
29 Tentative profit or (loss). Subtract line 28 from line 7				29
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions. Simplified method filers only: Enter the total square footage of (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30				30
31 Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Schedule 1 (Form 1040), line 3, and on Schedule SE, line 2. (If you checked the box on line 1, see instructions.) Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32.				31
32 If you have a loss, check the box that describes your investment in this activity. See instructions. • If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 3, and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions.) Estates and trusts, enter on Form 1041, line 3. • If you checked 32b, you must attach Form 6198. Your loss may be limited.				32a <input type="checkbox"/> All investment is at risk. 32b <input type="checkbox"/> Some investment is not at risk.

Entity Info

Part 1 Income

Part 2 Expenses

Business Use of Home

Net Income/Loss



Business Terms — Schedule C

Gross Receipts and Returns and Allowances

Cost of Goods Sold

Gross profit and gross income

Bartering

Expenses

- Car and Truck
- Depreciation
- Legal and professional services & office expenses
- Supplies
- Travel, meals and entertainment

Net profit or loss



Completing Schedule C: Entity Info

SCHEDULE C (Form 1040)

Department of the Treasury
Internal Revenue Service

Profit or Loss From Business (Sole Proprietorship)

Attach to Form 1040, 1040-SR, 1040-SS, 1040-NR, or 1041; partnerships must generally file Form 1065.
Go to www.irs.gov/ScheduleC for instructions and the latest information.

OMB No. 1545-0074

2024

Attachment
Sequence No. **09**

Name of proprietor		Social security number (SSN)
A Principal business or profession, including product or service (see instructions)		B Enter code from instructions
C Business name. If no separate business name, leave blank.		D Employer ID number (EIN) (see instr.)
E Business address (including suite or room no.)		
City, town or post office, state, and ZIP code		
F Accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify)		
G Did you "materially participate" in the operation of this business during 2024? If "No," see instructions for limit on losses	<input type="checkbox"/> Yes	<input type="checkbox"/> No
H If you started or acquired this business during 2024, check here	<input type="checkbox"/>	
I Did you make any payments in 2024 that would require you to file Form(s) 1099? See instructions	<input type="checkbox"/> Yes	<input type="checkbox"/> No
J If "Yes," did you or will you file required Form(s) 1099?	<input type="checkbox"/> Yes	<input type="checkbox"/> No



Completing Schedule C

Part 1: Income

Part I		Income	
1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked <input type="checkbox"/>		1
2	Returns and allowances		2
3	Subtract line 2 from line 1		3
4	Cost of goods sold (from line 42)		4
5	Gross profit. Subtract line 4 from line 3		5
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)		6
7	Gross income. Add lines 5 and 6		7

Gross Receipts and Returns and Allowances

Cost of Goods Sold

Gross profit and gross income



Gross Receipts and Returns & Allowances

Gross Receipts:

- Income from the sale of products or services
- Tax Topic 407 – Business Income

Returns and Allowances:

- Cash or credit refunds
- Rebates and other allowances

If business has no resale products

- No returns or allowances deducted from gross receipts



Cost of Goods Sold

Cost to buy or make product

Some of your sales may be from inventory that you carried over from earlier years

Calculating cost of goods sold:

- Cost of inventory at beginning of year
- + Cost of goods purchases or manufactured
- - Cost of merchandise for personal use
- = Cost of items available for sale
- - Value of inventory at year's end
- = **Cost of goods sold**



Gross Profit and Gross Income

Gross profit

- Subtract returns and allowance from total gross receipts
- Subtract costs of goods sold from that difference

Gross income

- Sum of gross profit and other income

For more information:

- Refer to the instructions for Schedule C



Completing Schedule C: Part II - Expenses

Part II Expenses. Enter expenses for business use of your home only on line 30.							
8	Advertising	8		18	Office expense (see instructions)	18	
9	Car and truck expenses (see instructions)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11		a	Vehicles, machinery, and equipment	20a	
12	Depletion	12		b	Other business property	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15		23	Taxes and licenses	23	
16	Interest (see instructions):			24	Travel and meals:		
a	Mortgage (paid to banks, etc.)	16a		a	Travel	24a	
b	Other	16b		b	Deductible meals (see instructions)	24b	
17	Legal and professional services	17		25	Utilities	25	
				26	Utilities	26	
				27a	Other expenses (from line 48)	27a	
				b	Energy efficient commercial bldgs deduction (attach Form 7205)	27b	
28	Total expenses before expenses for business use of home. Add lines 8 through 27b	28				28	

Expenses

- Car and Truck
- Depreciation
- Legal and professional services & office expenses
- Supplies
- Travel, meals and entertainment



Completing Schedule C: Part II - Expenses (Continued)

Expenses must be considered ordinary and necessary business expenses to be deducted

Search IRS.gov for “Guide to Business Expense Resources”



Car and Truck Expense: Tax Topic 510 – Business Use of Car

Business use only

- Base deduction on full cost of operating it

Business and personal use

- Divide expenses based on mileage used

Do not include commuting to and from place of business

Deduction using:

- Actual business expenses, or
- Standard mileage rate



Car and Truck Expense (cont.)

Actual business expenses include:

- Gas, oil, repairs, insurance, depreciation, tires and license plates

Standard Mileage Rate

- Multiply business mileage by standard rate
- Find current year standard rate on [IRS.gov](https://www.irs.gov)

Claimed actual expenses for first year of business use – standard mileage rate not available in subsequent years

Under either method, parking fees & tolls deductible

Schedule C instructions for more information



Business Standard Milage Rate

IRS issues standard mileage rates

Beginning on **January 1, 2025**, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be **70 cents per mile** for all miles of business use.

Beginning on **January 1, 2026**, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be **72.5 cents per mile** for all miles of business use.

These rates apply to electric and hybrid-electric automobiles, as well as gasoline and diesel-powered vehicles.



Gig Economy

- ❖ Gig economy income is taxable
- ❖ Gig work is any activity where people earn income providing on-demand work, services or goods
 - Often through a digital platform like an app or website
- ❖ Visit the IRS Gig Economy Tax Center at [IRS.gov/gig](https://www.irs.gov/gig)
- ❖ [Publication 5369](#)



Depreciation:

Tax Topic 704 - Depreciation

Deduction to recover the cost, or other basis of business property (useful life greater than one year)



Land, inventory and property placed in service and retired in same year are not depreciable



Starts when property was first used for business



Ends when no longer used, or cost fully recovered



Depreciation (cont.)

Modified Accelerated Cost Recovery System (MACRS)

- Most tangible property

Section 179 Deduction

- Election to recover cost of certain property in year placed in service
- Limited to amount of taxable income from any active trade or business
- Does not apply to property held for production of income or use in not-for-profit activity

Publication 946, How to Depreciate Property



Depreciation: Tax Cuts and Jobs Act (TCJA)

Changes to expensing and depreciation

- Section 179
- First-year depreciation deduction, which is often referred to as “Bonus Depreciation”

Form 4562 instructions for
more information



Legal and Professional Services & Office Expenses

Accountant and Attorney Fees

Tax Advice and Tax Prep

Office Supplies and Postage



Supplies Expense

Deduct only to the extent consumed and used within a year

- Cost of materials and supplies
- Books, professional instruments, equipment, etc.

If the usefulness extends beyond a year

- Must recover their costs through depreciation



Entertainment and Meals

TCJA generally eliminated the deduction for activities considered entertainment, amusement or recreation

Deduct 50% of the cost of business meals

Owner or employee of business is present, and food or beverages are not considered lavish

Meals may be provided to a current or potential business customer, consultant or business contact

Food & beverages during entertainment events – not considered entertainment if purchased separately



Lodging and transportation expenses for overnight travel while away from your tax home

Tax home refers to your main place of business regardless of where you maintain your family home

Meals expenses include:

- Meals away from home for business
- Meals that are business-related
- Standard meal allowance can be used for your daily meals and incidental expenses



Travel and Meals (cont. 1)

Must keep records to prove the time, place and business purpose of travel

Standard meal allowance is the federal meals and incidental expenses (M&IE) rate:

- U.S. General Services Administration's website – [GSA.gov](https://www.gsa.gov) and go to "Per Diem Look-up"

Publication 463, *Travel, Gift and Car Expenses*

[Tax Tip 2022-104, Business Related Travel](#)



Business Use of Home: Tax Topic 509 – Business Use of Home

30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions.

To deduct expenses for business use of the home, you must use part of your home as one of the following:

Exclusively on a regular basis as your principal place of business for your trade or business;

Exclusively on a regular basis as a place where you meet or deal with your patients, clients, or customers in the normal course of your trade or business;

A separate structure that's not attached to your home, used exclusively on a regular basis in connection with your trade or business;

On a regular basis for storage of inventory or product samples used in your trade or business of selling products at retail or wholesale, so long as your home is the sole fixed location of such trade or business;

For rental use; or

As a daycare facility.



Calculate Net Profit or Loss

31 Net profit or (loss). Subtract line 30 from line 29.

• If a profit, enter on both **Schedule 1 (Form 1040), line 3**, and on **Schedule SE, line 2**. (If you checked the box on line 1, see instructions.) Estates and trusts, enter on **Form 1041, line 3**.

31

The amount by which the gross income is more or less than the expenses for the same period

- Gross profit (Schedule C Part I)
- + Other income (Schedule C Part I)
- Gross income (Schedule C Part I)
- – Total expenses (Schedule C Part II)
- – Business use of home (Schedule C Part II)
- = Net Profit or Loss

Schedule C Instructions



Possible deductions on Form 1040

Health Insurance

- If not covered by an employer's subsidized health insurance plan, may be able to deduct 100% of your health insurance premium
- Applies to individual or family health insurance plan

Retirement Plans

- If self-employed or a partner, may be able to take a deduction for self-employed SEP, SIMPLE, or qualified plans
- Publication 560, *Retirement Plans for Small Businesses*



Deducting Start-up Costs

Business start-up costs are amounts paid or incurred in connection with:

- Creating an active trade or business
- Investigating the creation or acquisition of an active trade or business

Publication 535, *Business Expenses*



Self-Employment and Estimated Tax

Self-employed people who are sole proprietors or partners in a partnership, may be subject to self-employment tax

Self-employment tax:
(Tax Topic 554 – Self-Employment Tax)

- Social Security and Medicare taxes
- Must file Form 1040, Schedule SE

Do a paycheck checkup - check tax withholding

Use the Tax Withholding Estimator on [IRS.gov](https://www.irs.gov)



Self-Employment and Estimated Tax (cont. 1)

When self-employed, you may have to pay estimated taxes throughout the year

Estimated tax payments are used to make payments against any self-employment tax and income tax liabilities

Publication 505, *Tax Withholding and Estimated Tax*

Form 1040-ES, *Estimated Tax for Individuals*

Have salaries and wages – Use Form W-4, *Employee's Withholding Allowance Certificate*

Use the Electronic Federal Tax Payment System (EFTPS) – EFTPS.gov



Self-Employment and Estimated Tax (cont. 2)

Each year the combined amount of wages and tips subject to Social Security withholding and net earnings subject to self-employment tax changes

Wages/Tips plus self-employed income:

- Subtract wages/tips from the maximums to see how much self-employment income is taxable
- Use Schedule SE

Combined wages, tips, and net earnings are subject to any combination of the 2.9% Medicare part of self-employment tax, Social Security tax, or railroad retirement (tier 1) tax



Common Mistakes/Errors

Not or Late-Filing your tax return

Not or Late-paying or underpaying estimated taxes

Not paying self-employment tax

Misclassifying workers as independent contractors



Common Mistakes/Errors

(Continued)

Failing to pay payroll taxes to the IRS

Underreporting income

Not separating business and personal expenses

Poor Recordkeeping



Choosing a Paid Preparer:
Pub 5924 - Tips to Help Small Businesses
Choose a Tax Preparer

Avoid preparers who claim to get larger refunds



Avoid preparers who base fees on refund amounts



Avoid paid preparers who won't sign the return or won't give you a copy



Never sign a blank tax return / review before signing



Availability of the preparer



Make sure that the paid preparer has a valid
IRS Preparer Tax Identification Number (PTIN)



IRS.gov and search "choosing a preparer"



Choosing a Paid Preparer (cont.)

Enrolled agents

- Unlimited representation rights before the IRS

CPAs and attorneys

- Unlimited representation rights before the IRS

Annual Filing Season Program Record of Completion

- Limited Representation Rights



PTIN holders

- No authority to represent clients before the IRS

Directory of Federal Tax Return Preparers with Credentials and Select Qualifications on [IRS.gov](https://www.irs.gov)



Businesses Stay Safe by SAFEGUARDING INFORMATION



Protect your business from tax scams

Watch for these common signs of tax-related scams

- Fake requests for W-2s.
- Tax advice from misleading social media messages and posts urging you to:
 - File fraudulent tax documents.
 - Use tax software to manually prepare a Form W-2, Wage and Tax Statement, with false income information.
 - Pay fees to a preparer based on your refund amount.
 - Misrepresent your eligibility for the Employee Retention Credit or other tax credits.

Don't ignore these signs of possible identity theft

- You're unable to e-file a return because one was already filed with the same EIN or SSN.
- You receive a rejection notice for a routine extension to file request because a return with duplicate EIN or SSN is already on file.
- You receive an unexpected tax transcript or IRS notice that doesn't match anything submitted.
- You receive Letter 6042C or 5263C from the IRS.
- You aren't receiving expected or routine correspondence from the IRS because the business address has been changed.

Safeguard your systems and data with strong security actions

- Add anti-malware/anti-virus security software with automatic updates enabled on all devices.
- Use responsible passwords and multi-factor authentication when available.
- Enter personal data only on secure sites with web addresses that begin with "https."

Educate your employees

Help employees protect themselves and your business with information about data security. Check out the Business section on IRS Identity Theft Central at [IRS.gov/IdentityTheft](https://www.irs.gov/identitytheft) or share the [Taxpayer Guide to Identity Theft and Publication 4524, Security Awareness for Taxpayers \(PDF\)](#).

Safeguard your EIN


Keep your Employer Identification Number (EIN) safe and the application up to date with accurate, responsible party and contact information. Use Form 8822-B to update your EIN.

Report scams and tax fraud

You can help prevent fraud in the following ways:

- Report suspicious IRS, Treasury or tax-related online or email phishing scams to phishing@irs.gov.
- Tell us about data losses related to W-2 scams by emailing dataloss@irs.gov and providing contact information. In the subject line, type "W2 Data Loss" so that the email makes it to the right people. Don't attach any employee personally identifiable information.
- Notify states of any disclosures of W-2s or other identity information by emailing StateAlert@taxadmin.org.

For more information, visit [IRS.gov/taxscam](https://www.irs.gov/taxscam) or scan the QR code.



Publication 5961 (4-2024) Catalog Number 94911U Department of the Treasury Internal Revenue Service www.irs.gov

Pub 5961 Protect Your Business from Tax Scams

Safeguard customer data

Beware of phishing and impersonation schemes

Set security software to update automatically.

Back up important files.

Require strong passwords for all devices.

Encrypt devices.

Use multi-factor authentication.

Review tips in the business section of [Identity Theft Central](https://www.irs.gov/identitytheft) on IRS.gov



Review

Basics of Schedule C

Determine gross profit and income

Identify deductible expenses

Calculate net profit or loss

Form 1040 areas of interest

Self-employment and estimated tax

**IRS Publication 334, *Tax Guide for Small Business*
(For individuals who use Schedule C)**

Small Business and Self-Employed Tax Center at [IRS.gov/smallbiz](https://www.irs.gov/smallbiz)



IRS Resources for You & Your Clients

[IRS Small Business / Self-Employed Tax Center](#)



[IRS YouTube Small Business Channel](#)



[IRS e-News for Small Businesses Newsletter](#)



[IRS Small Business Publications](#)



**Communications & Liaison
Tax Outreach, Partnership & Education**

Small Business Owners

*Check out the
IRS resources
designed to help
new and existing
small businesses.*



www.irs.gov/smallbiz



A road map from start to finish

[IRS.gov/smallbiz](https://www.irs.gov/smallbiz)

IRS.gov's small business pages map out the entire life cycle of a business and its tax implications.
Sections include:

Starting a Business: Basic federal tax information for those starting a business, as well as a checklist to assist in making basic business decisions.

Business Structure: Help in choosing what form of business entity to establish because it determines which form of business income tax return forms must be filed.

Operating a Business: Tools and tips on how to get an Employer Identification Number, how to keep good records and how to file and pay taxes.

Closing a Business: Help navigating the closure of a business from a federal tax perspective; how to take care of employees, which forms to file, which records to keep and what tax related moves need to happen before shutting down.



Link to IRS Small Business Tax Center @ www.irs.gov/smallbiz

IRS File Pay Refunds Credits & Deductions Forms & Instructions Search

Small Business and Self-Employed Tax Center

English | Español | 中文(简体) | 中文(繁體) | 한국어 | Русский | Tiếng Việt | Kreyòl ayisyen

Individuals

- Businesses and Self-Employed**
 - Small Business and Self-Employed
 - Employer ID Numbers
 - Business Taxes
 - Reporting Information Returns
 - Self-Employed
 - Starting a Business
 - Operating a Business
 - Closing a Business
 - Industries/Professions
 - Small Business Events
 - Online Learning
 - Large Business
 - Corporations
 - Partnerships
 - Charities and Nonprofits
 - International Taxpayers
 - Governmental Liaisons
 - Federal State Local Governments
 - Indian Tribal Governments
 - Tax Exempt Bonds

What You'll Find Here

Resources for taxpayers who file Form 1040 or 1040-SR, Schedules C, E, F or Form 2106, as well as small businesses with assets under \$10 million.

Information For

- Self-Employed
- Independent Contractor or Employee
- Business Structure
- Businesses with Employees
- Industries/Professions

Stages of Owning a Business

- Starting a Business
- Operating a Business
- Closing a Business
- Changing Address
- Changing Business Name

Preparing Your Taxes

- Business Tax Credits
- Deducting Expenses
- Recordkeeping
- Employment Taxes

General Topics

- A-Z Index for Business
- Affordable Care Act (ACA)
- Gig Economy (Sharing Economy)
- Report of Foreign Bank and Financial Accounts (FBAR)
- Retirement Plans for Small Entities and Self-employed
- Tax Reform Provisions that Affect Businesses
- Understanding Your Form 1099-K

Most Popular

- Employer ID Numbers (EINs)
- Forms and Publications
- Self-Employment Taxes
- E-file Employment Taxes

IRS Small Business Self-Employed Tax Center YouTube Video

Filing/Paying Taxes

- Filing and Paying Your Business Taxes
- IRS Tax Calendar for Businesses and Self-Employed
- Filing Past Due Tax Returns
- Information Return Reporting

Online Learning

- IRS Video Portal
- Small Business Events
- Online Tools & Educational Products
- Small Business Tax Workshop
- Subscribe to e-News
- Webinars for Small Businesses
- Tax Cuts and Jobs Act (TCJA) Training Materials



Industry-Specific Tax Centers

[Agriculture Tax Center](#)

Links to agriculture-related topics such as tax tips, financial resources, trends and statistics, forms, and more.

[Audit Techniques Guides \(ATGs\)](#)

The Audit Techniques Guides (ATG) focus on developing highly trained examiners for a particular market segment. These Guides contain examination techniques, common and unique industry issues, business practices, industry terminology and other information to assist examiners in performing examinations.

[Automotive Tax Center](#)

The links on this page provide information such as tax tips and trends and statistics for the Automotive Industry.

[Cannabis Industry](#)

Guidance for taxpayers in the cannabis industry and marijuana businesses.

[Child and Adult Care Tax Center](#)

The Child and Adult Care Tax Center contains links to child and adult care related topics such as the Child Care Provider Audit Techniques Guide, forms, publications, and related links.

[Fishing Tax Center](#)

This page provides links to the most common topics in the fishing industry.

[Gas Retailers Tax Center](#)

The links on this page provide information such as tax tips and trends and statistics for gas retailers.

[Gig Economy Tax Center](#)

Find links on this page useful if you use online platforms to provide car rides, rent a spare bedroom, or to connect and provide a number of other goods or services. The sharing economy is also referred to as the on-demand, gig or access economy.

[Indoor Tanning Services Tax Center](#)

This is a one-stop page for indoor tanning service providers, containing information on filing and paying the indoor tanning excise tax. This excise tax is part of the Affordable Care Act.

[Information for Industries Where Tips are Customary](#)

The links on this page provide information for all industries that deal with tip income and reporting tips.

[Money Services Business Information Center](#)

Businesses offering check cashing, money orders, travelers checks, money transfers, currency dealing or exchange, and prepaid access (formerly stored value) products are Money Services Businesses and are subject to Bank Secrecy Act requirements.

[Payroll Professionals Tax Center - Information for Payroll Professionals and Their Clients](#)

Information for payroll professionals and their clients. This page includes links to information on employment taxes, worker classification, electronic filing, employment tax related forms and publications, news and events, and more.

[Real Estate Tax Center](#)

The links on this page provide information such as tax tips and trends and statistics for the real estate industry.

[Restaurants Tax Center](#)

The links on this page provide information such as tax tips and trends and statistics for the restaurant industry.

[Trucking Tax Center](#)

Gig Economy Tax Center

[English](#) | [Español](#) | [中文\(简体\)](#) | [中文\(繁體\)](#) | [한국어](#) | [Русский](#) | [Tiếng Việt](#) | [Kreyòl ayisyen](#)

Individuals

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[Reporting Information Returns](#)

[Self-Employed](#)

[Starting a Business](#)

[Operating a Business](#)

[Closing a Business](#)

[Industries/Professions](#)

[Small Business Events](#)

[Online Learning](#)

[Large Business](#)

[Corporation](#)

What is the Gig Economy?

The gig economy—also called sharing economy or access economy—is activity where people earn income providing on-demand work, services or goods. Often, it's through a digital platform like an app or website.

Gig Economy Income is Taxable

You must report income earned from the gig economy on a tax return, even if the income is:

- From part-time, temporary or side work
- Not reported on an information return form — like a Form 1099-K, 1099-MISC, 1099-NEC, W-2 or other income statement
- Paid in any form, including cash, property, goods, or virtual currency

What to Do

Gig Workers

Find forms, keep records, deduct expenses, file and pay taxes for your gig work.

[Manage Taxes for Your Gig Work](#)



Your Taxes in the Sharing Economy

[Transcript](#) [ASL](#)

Digital Platforms and Businesses

Classify workers, report payments, pay and file taxes for a digital marketplace or business.

[Manage Taxes for a Digital Platform](#)



Link to Small Business Webinars

[Help](#) | [News](#) | [English](#) ▼ | [Charities & Nonprofits](#) | [Tax Pros](#)

[File](#)
[Pay](#)
[Refunds](#)
[Credits & Deductions](#)
[Forms & Instructions](#)

[Home](#) / [File](#) / [Businesses and Self-Employed](#) / [Small Business and Self-Employed](#) / [Small Business Events](#) / [Webinars for Small Businesses](#)

Webinars for Small Businesses

Individuals

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Small Business and Self-Employed

Employer ID Numbers

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Reporting Information Returns

Self-Employed

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Operating a Business

Closing a Business

Industries/Professions

Small Business Events

- [Qualified Educational Assistance Programs \(September 14, 2023\)](#)
- [Preparation of Form 1040-NR, U.S. Nonresident Alien Income Tax Return \(September 26, 2023\)](#)
- [Mortgage & Other Interest Expense Allocation & Apportionment for Individuals with Partnership Interests Form 1116 and Schedule K-3 \(September 28, 2023\)](#)

Upcoming Webinars

Qualified Educational Assistance Programs

This free webinar will explain:

- Meaning of Educational Assistance under IRC Section 127
- Employer responsibilities for educational assistance
- Key terms under employer educational plans
- What income is excludable from gross income under IRC section(s) 127, 117, 162, and 212
- Plus, a live Q & A

Certificates of Completion are being offered. Tax Professionals: Earn up to 1 CE Credit. Category: Federal Tax.

Closed captioning will be offered.

Registration: Visit the [Internal Revenue Service Webinar](#) website. Questions? Email us at: cl.sl.web.conference.team@irs.gov.

Related Links

- [Small business tax workshops, meetings and seminars](#)
- [Webinars for Tax Practitioners](#)
- [Workshops and Other Events in Spanish for Small Businesses](#)



Link to www.YouTube.com/IRSVideos



IRSVideos

@irsvideos 102K subscribers 169 videos

The Internal Revenue Service's official YouTube channel features IRS video...

facebook.com/IRS and 8 more links

HOME VIDEOS SHORTS PLAYLISTS COMMUNITY

Created playlists

Paying and reporting employment taxes 3 videos

Child Tax Credit 1 video

Multilingual 35 videos

Tax Information for Indian Tribal Governments View full playlist

Child Tax Credit View full playlist

Multilingual View full playlist

Do you have or are you eligible to obtain a Social Security number (SSN)? (B) Yes 5 videos

Your Abilities Work at the IRS 1 video

IRS Nationwide Tax Forums Returning to a city near you... 5 videos

International Taxpayers View full playlist

IRS Disability Recruitment Program View full playlist

Featured Videos View full playlist

How to obtain certification Which employees are eligible Limitations on 17 videos

Shared Responsibility Payment 7 videos

Self-Certify 7 videos

Small Business View full playlist

Health Care View full playlist

Retirement Plans View full playlist

1 **The Work Opportunity Tax Credit Benefits Employers**
IRSVideos • 19K views • 1 year ago

2 **Small Business Tax Workshop**
IRSVideos • 18K views • 2 years ago

3 **Here's What To Do if You Must Close Your Business**
IRSVideos • 14K views • 2 years ago

4 **Five Things to Know about the Employer Identification Number**
IRSVideos • 260K views • 2 years ago

5 **W-2 Scam**
IRSVideos • 16K views • 2 years ago

6 **Do-It-Yourself Free Tax Preparation**
IRSVideos • 41K views • 4 years ago

7 **Qualified Business Income Deduction**
IRSVideos • 36K views • 3 years ago

8 **Gambling Winnings and Losses**
IRSVideos • 27K views • 3 years ago

9 **Opportunity Zones**
IRSVideos • 21K views • 4 years ago

10 **Organizing Files for Correspondence Exams**
IRSVideos • 11K views • 4 years ago

11 **Received a Letter From the IRS Regarding Form 944?**
IRSVideos • 11K views • 5 years ago

12 **Monitoring Your Outsourced Payroll Duties on EFTPS**
IRSVideos • 7.9K views • 5 years ago

13 **Some Taxpayers Can File Their Employment Taxes Annually**
IRSVideos • 24K views • 5 years ago

14 **IRS Small Business Self-Employed Tax Center**
IRSVideos • 231K views • 6 years ago

15 **Your Taxes in the Sharing Economy**
IRSVideos • 29K views • 6 years ago

16 **IRS Tax Calendar**
IRSVideos • 28K views • 7 years ago

17 **Small Business Health Care Tax Credit**
IRSVideos • 35K views • 9 years ago



Subscribe to e-News for Small Businesses and follow IRS on Social Media

e-News for Small Businesses is a free electronic mail service designed to provide tax information for small business owners and self-employed individuals.

Sign-up and you will receive information about:

- ✓ Important upcoming tax dates for SB/SE customers
- ✓ What's new for small businesses on the IRS website
- ✓ Reminders and tips to assist small businesses/self-employed with tax compliance
- ✓ IRS News Releases and special IRS announcements that pertain to SB/SE customers

Connect with the IRS on **Social Media**: IRS2Go mobile app, Twitter, YouTube and more. Get tax updates and information.



Espanol



Espanol



Multilingual



Putting it all together . . .

 **Tools & Resources for Small Businesses**


IRS.GOV TAX RESOURCES FOR SMALL BUSINESSES

Small Business and Self-Employed Tax Center
Resources for taxpayers who file Form 1040 or 1040-SR, Schedules C, E, F or Form 2106, as well as small businesses with assets under \$10 million.
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Gig Economy Tax Center
The gig economy—also called sharing economy or access economy—is activity where people earn income providing on-demand work, services or goods. Often, it's through a digital platform like an app or website.
[IRS.gov/gigeconomy](https://www.irs.gov/gigeconomy)

Tax Information for Businesses
Tax information, tools and resources for businesses and self-employed individuals.
[IRS.gov/businesses](https://www.irs.gov/businesses)

Employer Identification Number
An Employer Identification Number (EIN) is also known as a Federal Tax Identification Number and is used to identify a business entity. Generally, businesses need an EIN. They may apply for an EIN in various ways, and now you can apply online.
[IRS.gov/ein](https://www.irs.gov/ein)



TOOLS TO HELP SMALL BUSINESSES STAY ON TRACK WITH DEADLINES AND PAYMENTS

Online Tax Calendar
The online tax calendar shows due dates and actions for each month. Business owners can see all events or filter them by monthly depositor, semi-weekly depositor, excise or general event types. They can also have calendar reminders sent to their email inbox or import the calendar into their calendar program.
[IRS.gov/taxcalendar](https://www.irs.gov/taxcalendar)

Electronic Federal Tax Payment System
Businesses can pay their federal taxes online or by phone with EFTPS, a free tax payment system.
[IRS.gov/EFTPS](https://www.irs.gov/EFTPS)

EDUCATIONAL VIDEO SERIES AVAILABLE IN SEVEN LANGUAGES

Small Business Tax Workshop
A virtual workshop that helps new business owners understand and meet their federal tax obligations. Divided into eight lessons, business owners can choose the lessons that apply to them.
[IRS.gov/sbworkshop](https://www.irs.gov/sbworkshop)

SMALL BUSINESS TAX NEWS

e-News Subscriptions
The IRS offers several e-news subscriptions on a variety of tax topics. There are specific e-newsletters for small businesses, payroll professionals, tax professionals, IRS partners and more.
[IRS.gov/subscribe](https://www.irs.gov/subscribe)

Publication 5801 (4-2023) Catalog Number 940400 Department of the Treasury Internal Revenue Service www.irs.gov

Post Publication 5801

Tools & Resources for Small Businesses

on your website and distribute to your advisors, clients, members and customers



Get ready for the 2026 Filing Season

The 2026 Filing Season is underway. April 15 is the deadline to file your 2025 tax return or file for an extension.

Utilize IRS Online Services: Create or access a Business Tax Account on IRS.gov to manage payments, view tax records, and access other useful tools.



Access your Business Tax Account

Do more with a Business Tax Account

- View and pay your tax balance or make a Federal Tax Deposit
- View your payment history for recent transactions
- Request a tax compliance check
- View the business name and address on file with the IRS
- View and download select digital notices or transcripts for payroll, income and excise tax returns

Discover if you qualify to use a Business Tax Account at [IRS.gov/businessaccount](https://www.irs.gov/businessaccount)



**Communications & Liaison
Tax Outreach, Partnership and Education**

Question & Answer

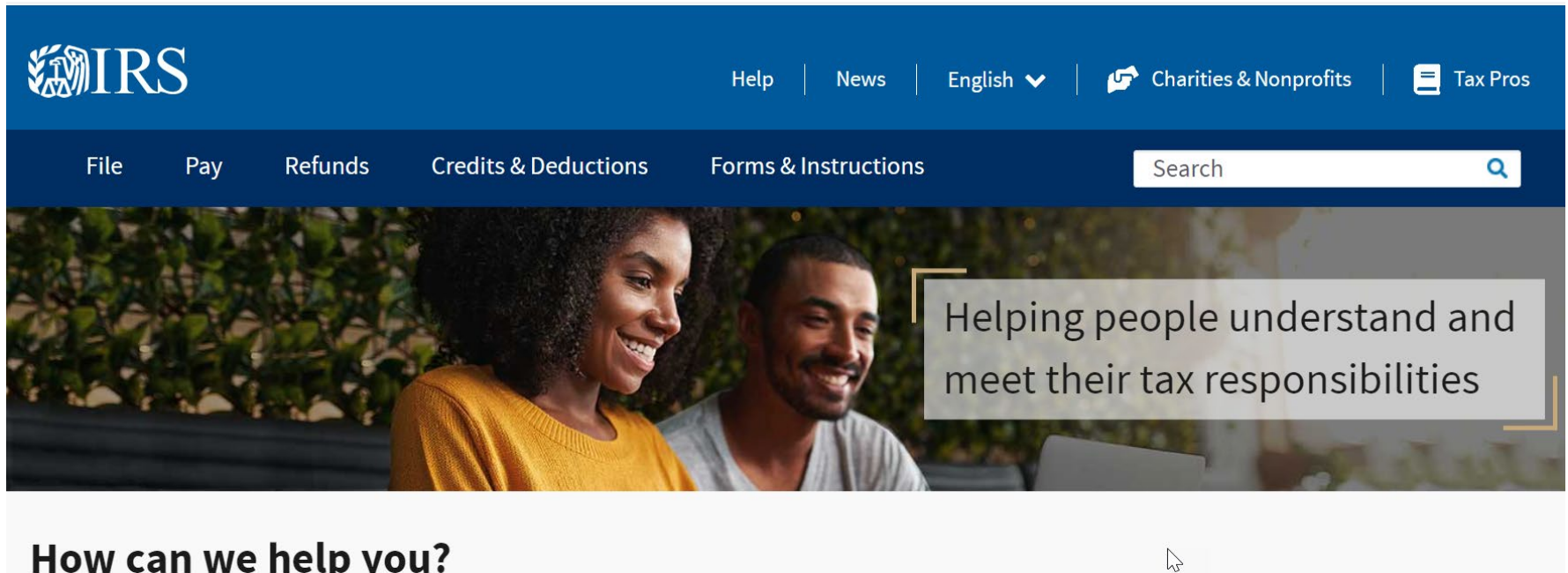


Communications & Liaison
Tax Outreach, Partnership and Education

Thank you

For more information:

WWW.IRS.GOV



The screenshot shows the top portion of the IRS website. At the top left is the IRS logo. To its right are navigation links for Help, News, English (with a dropdown arrow), Charities & Nonprofits (with a hand icon), and Tax Pros (with a document icon). Below these are primary service categories: File, Pay, Refunds, Credits & Deductions, and Forms & Instructions. A search bar is located on the right side of this navigation bar. The main content area features a photograph of a smiling Black couple looking at a laptop. A text box overlaid on the right side of the photo reads: "Helping people understand and meet their tax responsibilities". At the bottom left of the screenshot, the text "How can we help you?" is visible.

Questions?



Satisfaction Survey



NDI Small Business Team Training Survey

Thank you for attending the webinar and for your interest in supporting the entrepreneurship and growth of small businesses by people with disabilities.

Please take a few minutes to fill out this short form to assist us in evaluating this webinar and planning for future events.

We appreciate your assistance.

I am submitting this evaluation for:*

- Ambition to Achievement on January 15, 2025
- Filing a Tax Return for your Business, Tax Tips for the Self-Employed on February 12, 2025
- SBIR/STTR Masterclass on March 12, 2025
- Grant Writing Masterclass on March 19, 2025
- Empower Your Business with ABLE on April 9, 2025

Please rate your experience*

	Strongly disagree	Disagree	No opinion	Agree	Strongly agree	Not Applicable
The webinar materials were						

Please complete the **Satisfaction Survey**. It will appear automatically, or you can access it via the QR code or follow-up email. We appreciate your feedback!



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