


<u>Date</u>			<u>Completed</u>
<u>Payroll Date</u>	<u>Deposit Date</u>	Semi-Weekly Payroll Tax Deposits. Employers that are semi-weekly depositors generally must deposit taxes withheld and FICA taxes on payrolls paid on Wednesday, Thursday or Friday on or before the following Wednesday, and deposit taxes from payments on other days on or before the following Friday. Deposit electronically. Indicate Form 941, Federal Tax Deposit, and third quarter.	
July 27 – 30	Aug 2		
31 – Aug 2	7		
Aug 3 – 6	9		
7 – 9	14		
10 – 13	16		
14 – 16	21		
17 – 20	23		
21 – 23	28		
24 – 27	30		
28 – 30	Sept 5		
31 – Sep 3	6		
July 26 – Aug 4	Coast Guard Festival, Grand Haven.		
Aug 2 – 4	Big Red Classic Sports Fishing Tournament, Yacht Basin Marina, Holland.		
3	Art in the Park, Centennial Park, Holland, 9 AM – 5 PM.		
3	Coast Guard Festival Fireworks Extravaganza, at dark.		
8 – 11	National Blueberry Festival, South Haven.		
12	Michigan sales and use tax deposit for month of July to claim early payment discount.		
15	Employers that are monthly depositors must deposit taxes withheld and FICA taxes on payrolls paid during July. Deposit electronically. Indicate Form 941, Federal Tax Deposit, and third quarter.		
15	Corporations with fiscal year ending August 31, November 30, February 28, or April 30: <ul style="list-style-type: none"> <li>• Deposit estimated federal income tax electronically. Indicate Form 1120 and Federal Tax Deposit.</li> </ul>		
15	Corporations with fiscal year ending May 31: <ul style="list-style-type: none"> <li>• Federal Income Tax Return - Form 1120 or 1120-S.</li> <li>• Deposit balance of tax due electronically. Indicate Form 1120 and Balance Due on Return.</li> <li>• Pay accrued compensation, charitable contributions, retirement plan contributions, etc.</li> </ul>		
15	Corporations with fiscal year ending October 31, January 31, April 30, or July 31: <ul style="list-style-type: none"> <li>• Pay CIT estimate to State of Michigan.</li> </ul>		
18 – 24	Hudsonville Community Fair.		
20	Michigan combined Sales, Use, Withholding and CIT Estimate Return for the month ended July 31.		
25	Taste of Saugatuck, 12 PM – 7 PM.		
Aug 31 – Sep 1	All-Crafts Fair Weekend, Stanley Johnston Park, South Haven, 10 AM – 5 PM.		
Sep 3	Corporations with fiscal year ending April 30: <ul style="list-style-type: none"> <li>• File CIT return and pay balance due to State of Michigan.</li> </ul>		

JULY

SU	M	T	W	TH	F	SA
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

AUGUST

SU	M	T	W	TH	F	SA
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

SEPTEMBER

SU	M	T	W	TH	F	SA
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					



## MIDYEAR TAX PLANNING FOR BUSINESSES

Here are some tax planning ideas to consider for your business. Several favorable business tax provisions have a limited shelf life that may dictate taking action between now and year-end.

**Bigger Section 179 Deduction.** Your business may be able to take advantage of the temporarily increased Section 179 deduction. Under the Section 179 deduction privilege, an eligible business can often claim first-year depreciation write-offs for the entire cost of new and used equipment and software additions. For tax years beginning in 2013, the maximum Section 179 deduction is a whopping \$500,000. For tax years beginning in 2014, however, the maximum deduction is scheduled to drop back to only \$25,000. Watch out if your business is already expected to have a tax loss for the year (or close) before considering any Section 179 deduction. You cannot claim a Section 179 write-off that would create or increase an overall business loss.

**Section 179 Deduction for Real Estate.** Real property improvement costs are generally ineligible for the Section 179 deduction. However, a temporary exception applies to tax years beginning in 2010–2013. Under the exception, your business can immediately claim a Section 179 deduction of up to \$250,000 of qualified improvement costs for (1) interiors of leased nonresidential buildings, (2) restaurant buildings, and (3) interiors of retail buildings. The \$250,000 Section 179 allowance for real estate improvements is part of the overall \$500,000 allowance. Unless extended, this real estate break will not be available for tax years beginning after 2013. Once again, watch out if your business is already expected to have a tax loss for the year (or is close to it) before considering any Section 179 deduction. You can't claim a Section 179 write-off that would create or increase an overall business tax loss.

**50% First-year Bonus Depreciation.** Above and beyond the Section 179 deduction, your business can claim first-year bonus depreciation equal to 50% of the cost of most new (not used) equipment and software placed in service by December 31 of this year. For a new passenger auto or light truck that's used for business and is subject to the luxury auto depreciation limitations, the 50% bonus depreciation break increases the maximum first-year depreciation deduction by \$8,000. The 50% bonus depreciation break will expire at year-end unless Congress extends it. 50% bonus depreciation deductions can create or increase a Net Operating Loss (NOL) for your business's 2013 tax year. You can then carry back the NOL to 2012 and/or 2011 and collect a refund of taxes paid in one or both of those years.

**100% Gain Exclusion for Qualified Small Business Stock Issued This Year.** The fiscal cliff legislation enacted earlier this year extended the temporary 100% gain exclusion privilege for eligible sales of Qualified Small Business Corporation (QSBC) stock issued in calendar-year 2013. So, there is a short fuse on stock issuances that will qualify for the 100% gain exclusion break, unless Congress extends it. QSBC shares must be held for more than five years to be eligible for the 100% gain exclusion break, so we are talking about sales that will occur well down the road.

**Employ your child.** If you are self-employed, you might want to consider employing your child to work in the business. Doing so has tax benefits in that it shifts income (which is not subject to the Kiddie tax) from you to your child, who normally is in a lower tax bracket or may avoid tax entirely due to the standard deduction. There can also be payroll tax savings since wages paid by sole proprietors to their children age 17 and younger are exempt from both social security and unemployment taxes. Employing your children has the added benefit of providing them with earned income, which enables them to contribute to an IRA. Children with IRAs, particularly Roth IRAs, have a great start on retirement savings since the compounded growth of the funds can be significant.

Remember a couple of things when employing your child. First, the wages paid must be reasonable given the child's age and work skills. Second, if the child is in college or entering soon, having too much earned income can have a detrimental impact on the student's need-based financial aid eligibility.