

FEBRUARY 2024

IRS Self Employment P.1

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IRS TAX TIPS

BUSINESSES AND SELF EMPLOYMENT

Generally, you are self-employed if any of the following apply to you.

- You carry on a trade or business as a sole proprietor or an independent contractor.
- You are a member of a partnership that carries on a trade or business.
- You are otherwise in business for yourself (including a part-time business or a gig worker).

What are my self-employed tax obligations?

As a self-employed individual, generally you are required to file an annual return and pay estimated tax quarterly.

Self-employed individuals generally must pay self-employment (SE) tax as well as income tax. SE tax is a Social Security and Medicare tax primarily for individuals who work for themselves. It is similar to the Social Security and Medicare taxes withheld from the pay of most wage earners. In general, the wording "self-employment tax" only refers to Social Security and Medicare taxes and not any other tax (like income tax).

Before you can determine if you are subject to self-employment tax and income tax, you must figure your net profit or net loss from your business. You do this by subtracting your business expenses from your business income. If your expenses are less than your income, the difference is net profit and becomes part of your income on page 1 of Form 1040 or 1040-SR. If your expenses are more than your income, the difference is a net loss. You usually can deduct your loss from gross income on page 1 of Form 1040 or 1040-SR. But in some situations your loss is limited. See Publication 334, Tax Guide for Small Business (For Individuals Who Use Schedule C) for more information.

You have to file an income tax return if your net earnings from self-employment were \$400 or more. If your net earnings from self-employment were less than \$400, you still have to file an income tax return if you meet any other filing requirement listed in the Form 1040 and 1040-SR instructions.

For more information on tax requirements for self employed business owners, please go to: <https://www.irs.gov/businesses>

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GIG WORK: You must file a tax return if you have net earnings from self-employment of \$400 or more from gig work, even if it's a side job, part-time or temporary.

You must pay tax on income you earn from gig work. If you do gig work as an employee, your employer should withhold tax from your paycheck. If you do gig work as an independent contractor, you may have to pay estimated taxes. Gig work is certain activity you do to earn income, often through an app or website (digital platform), like:

- Drive a car for booked rides or deliveries
- Rent out property or part of it
- Run errands or complete tasks
- Sell goods online
- Rent equipment
- Provide creative or professional services
- Provide other temporary, on-demand or freelance work

Note: This list does not include all types of gig work.

One way to help manage taxes for gig work as an independent contractor (self-employed) is to keep good records. Save expense receipts and keep records of your income and sales during the year. These records can help you complete your tax return.

For more information regarding Gig work go to: <https://www.irs.gov/businesses/gig-economy-tax-center>

FEBRUARY FUN FACTS

The odds of being born on February 29th (Leap Day) are about 1 in 1,461.

February is the only month in the year without a full moon.

February is *National Cherry Month* in the United States.

The first Winter Olympic Games were held in Chamonix, France in February, 1924.

The largest snowflake on record fell in Montana, in February, 1887. The massive snowflake was 15 inches wide and 8 inches thick! This record still stands today.

February's flower is the Violet – often associated with faithfulness and loyalty.





Chewy Butterscotch Brownies

<https://insanelygoodrecipes.com/butterscotch-brownies/>

Servings: 4 doz Prep Time: 15 minutes Cook Time: 40 minutes

Ingredients

- 2 1/2 cups all-purpose flour
- 1 teaspoon baking powder
- 1/2 teaspoon salt
- 1 cup butter, softened
- 1 3/4 cups brown sugar, firmly packed
- 1 tablespoon vanilla extract
- 2 eggs
- 1 (11-ounce) package of butterscotch morsels, divided
- 1 cup chopped nuts

Instructions

- Preheat the oven to 350 degrees Fahrenheit (175°C), and line a 9x3-inch baking pan with parchment paper.
- Sift the flour, baking powder, and salt in a bowl. Set aside.
- In a separate bowl, beat the butter, brown sugar, and vanilla with an electric mixer until light and fluffy (about 5 minutes). Add the eggs, one by one, beating well after every addition.
- Change to a wooden spoon or spatula, then gradually pour the flour into the butter and egg mixture. Stir until only a few streaks of flour remain.
- Add 1 cup of butterscotch morsels and the chopped nuts, then gently mix to combine.
- Spoon and spread the mixture into the lined baking pan. Sprinkle remaining butterscotch morsels on top.
- Bake for 30 to 40 minutes, or until the edges start to pull away from the sides. Let the brownies cool for about 15 minutes, or until cool enough to touch. Slice, serve, and enjoy!

February 2024

Feb 2

National Ukulele Day

Feb 4

Homemade Soup Day

Feb 9

National Pizza Day

Feb 11

National Guitar Day



Feb 15

I want Butterscotch Day

Feb 19

National Arabian Horse Day

Feb 22

National Chili Day

Feb 23

National Tootsie Roll Day



Feb 24

World Bartender Day

Feb 27

National Strawberry Day

Feb 28

National Pancake Day

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FORMS OF
PAYMENT NOW
ACCEPTED:

- VISA
- MASTERCARD
- AMERICAN EXPRESS
- DISCOVER CARD
- ZELLE
- FACEBOOK PAY
- CASH
- PERSONAL CHECK

6: Gemstones



AGATE
ALEXANDRITE
AMBER
AMETHYST
AQUAMARINE
BLOODSTONE
CARNELIAN
CHRYSOPRASE
CITRINE
CORAL
DIAMOND
EMERALD
GARNET
MOONSTONE
ONYX
OPAL
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TIGER'S EYE
ZIRCON

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