



The Tax-Ready Business Toolkit

From West Financial Services, the landscaper's accountant

Educational content, not tax or legal advice.



INTRODUCTION

Taxes, income, and the deductions you can take



Truck



Equipment



**Home
office**



Meals



Travel

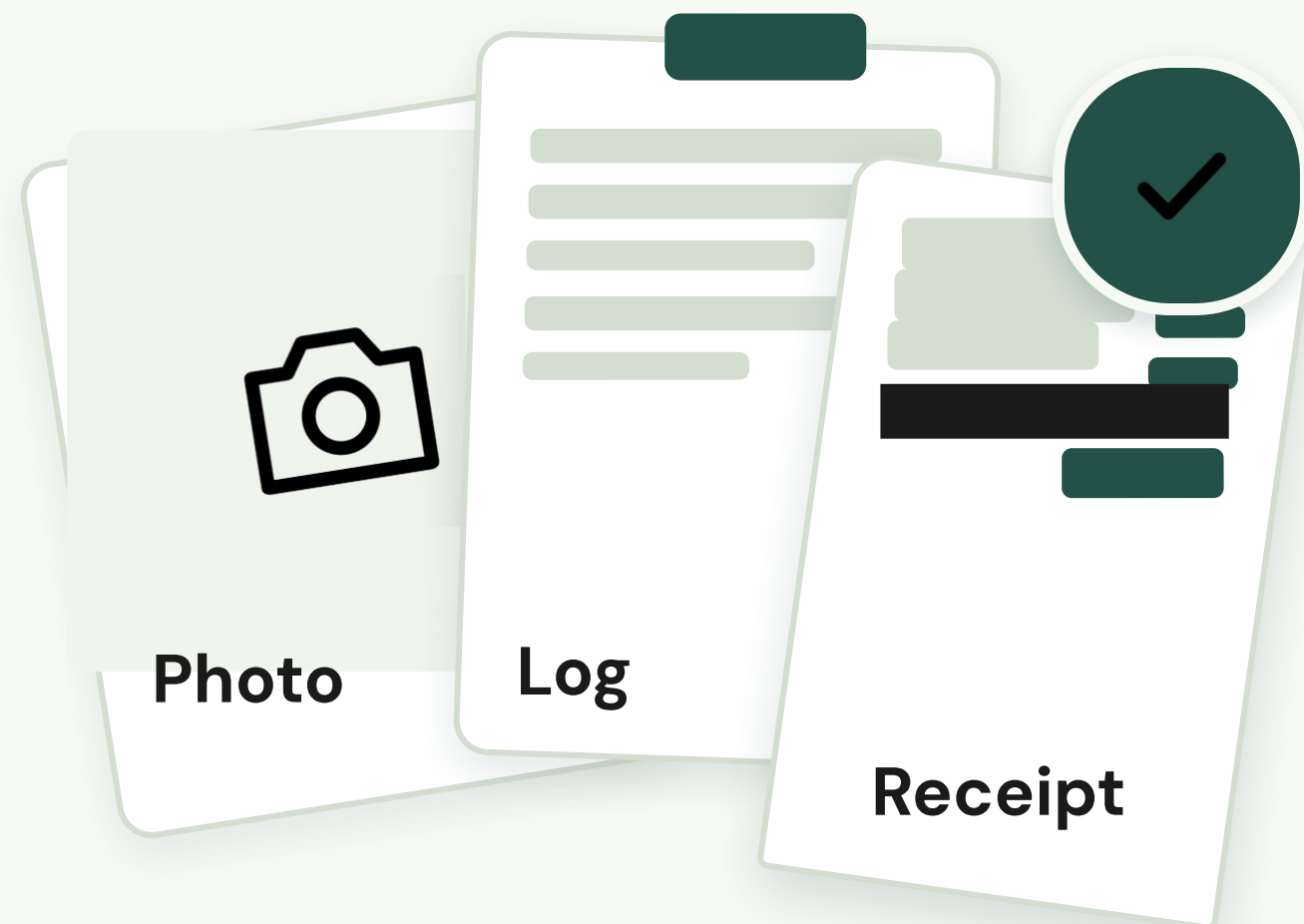


**People you
pay**



Your kids

Keep the records that prove it



Can't back it up?

✗ You can lose it.

INTRODUCTION

Built for sole proprietors and single-member LLCs



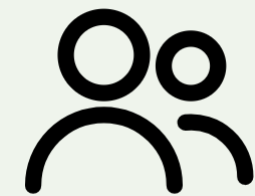
Sole proprietor

✓ Built for you



Single-member LLC

✓ Built for you



**Partnership or
S corporation**

Most still applies

INTRODUCTION

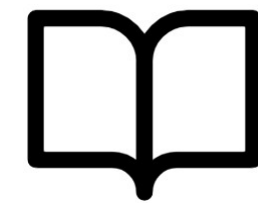
A tool under every lesson



Tracker



Checklist



Guide

Exact figures live in the tools



SEE THIS YEAR'S NUMBERS

Get ready for Lesson 1



Before you start



Last year's tax return



Log in to your business bank



LESSON 1

How Your Business Is Taxed



Two taxes



Paying as you go



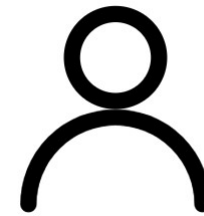
How you file

Educational content, not tax or legal advice.

Self-employed? All three are true



You get paid for work



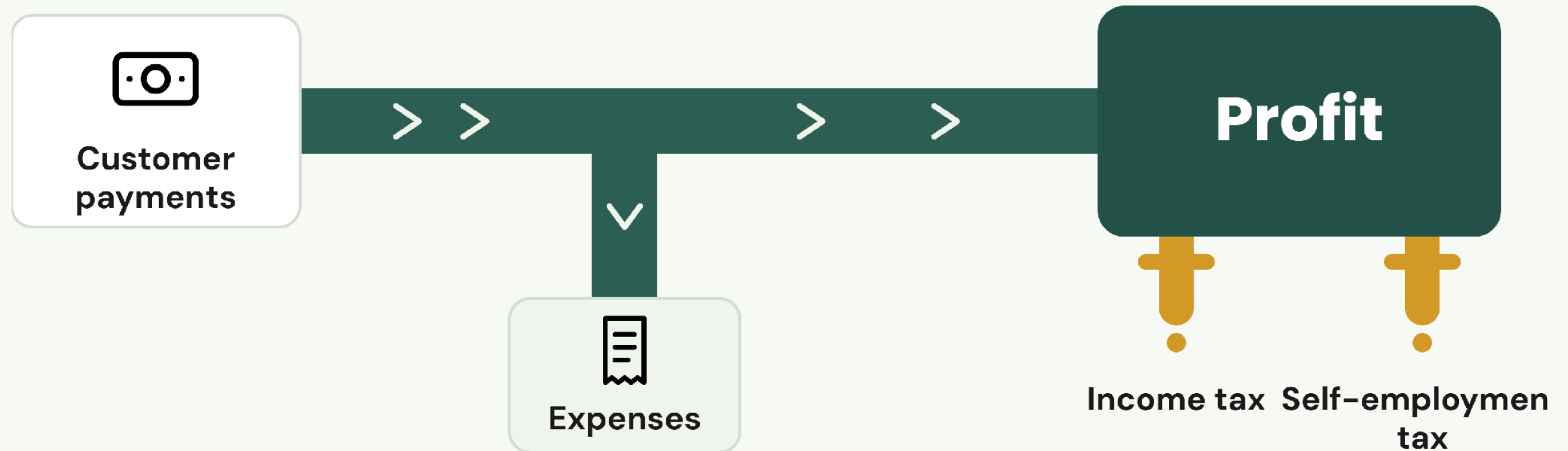
**You're not their
employee**



No taxes taken out

→ Taxed as a business

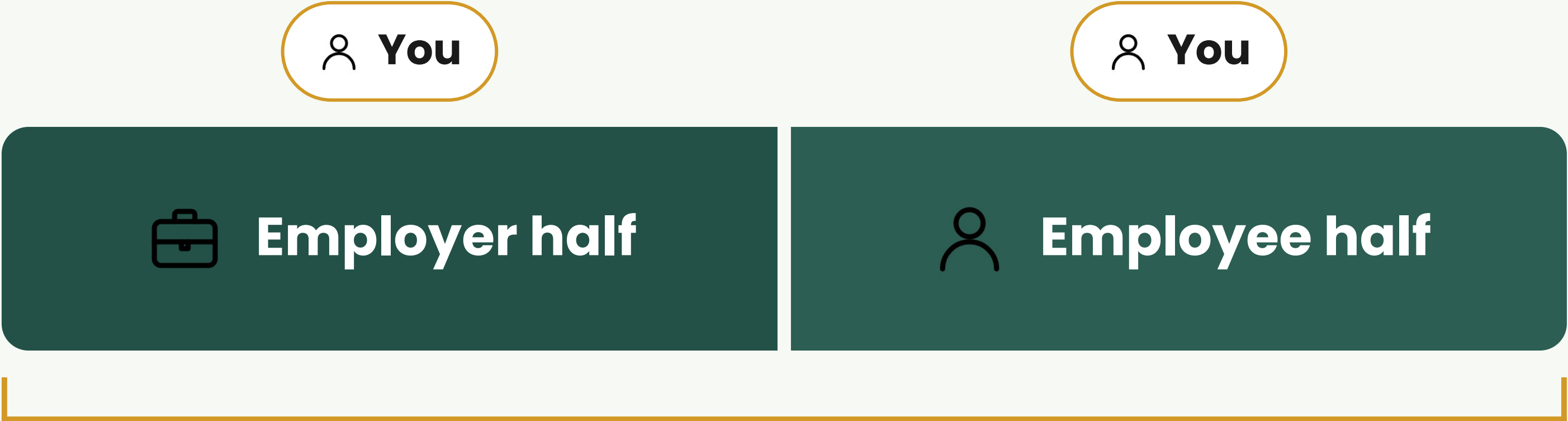
Two taxes come out of your profit



Only the top layer gets the top rate



You pay both halves

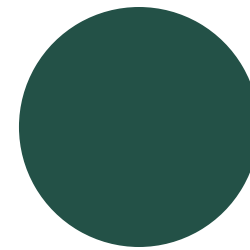


15.3% Social Security + Medicare

Three things soften it

92%

Taxed on about 92% of profit



Deduct half on your return



Social Security part stops at a limit



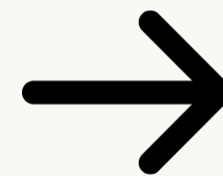
Tool: Important Dates and Deadlines

What both taxes can add up to

👤 Single filer

\$60,000

Landscaping profit



Around

\$12,000

Total federal tax

Take up to 20% off



Yes

Lowers income tax

No

Self-employment tax

Pay four times a year, not once

Quarterly estimated tax payments



 Job: withholding

 Self-employed: you pay

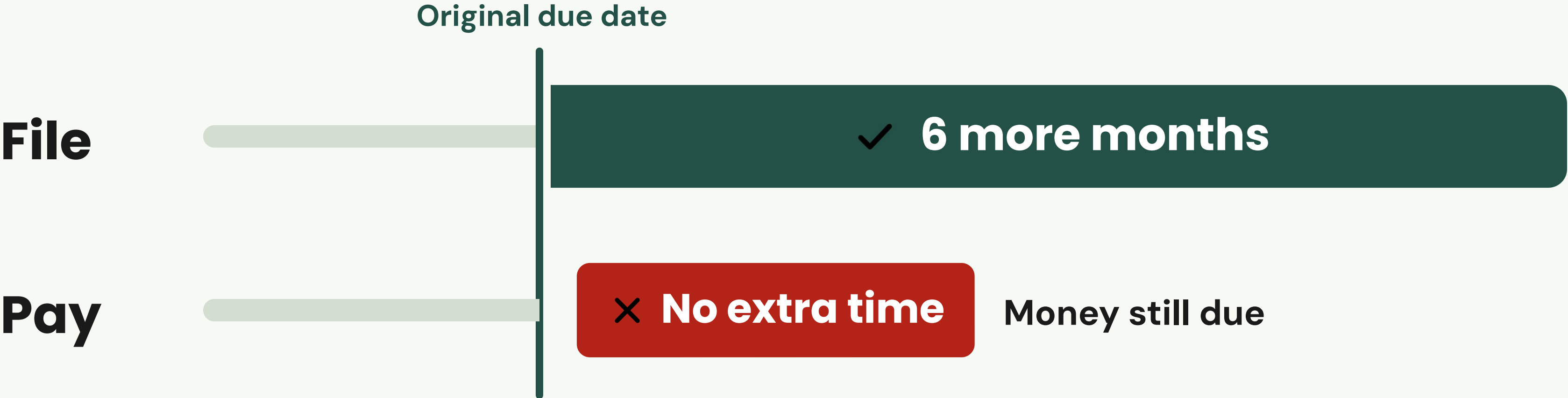
Fill a tax jar from every payment



Your entity type decides your tax form

	Sole proprietor or single-member LLC	Schedule C	 April 15
	Partnership	Form 1065	 March 15
	S corporation	Form 1120-S	 March 15
	C corporation	Form 1120	 April 15

An extension is more time to file, not pay



Cash or accrual: when does income count?

	DECEMBER • THIS YEAR	JANUARY • NEXT YEAR
	 Fall cleanup done	 Customer pays
Cash		Counts here
Accrual	Counts here	
	✓ Most use cash	✓ Stay consistent

Three things to do this week



Before the next lesson



Find your entity and method



Add 4 due dates to your phone



Open a tax savings account



Next: **Reporting your business income** →

LESSON 2

Reporting Your Business Income



What counts



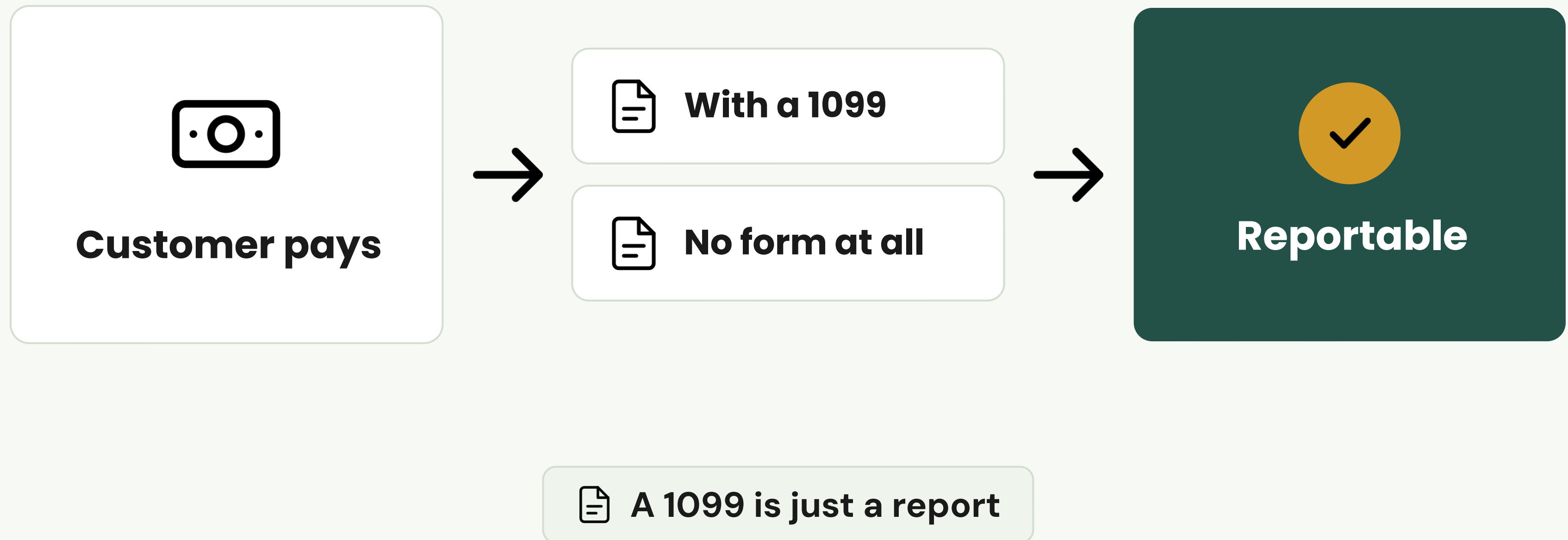
What people forget



What's not income

Educational content, not tax or legal advice.

If a customer paid you, it's income



Every way they pay you counts



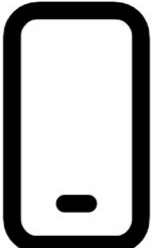
Cash



Checks



Cards



Venmo

Zelle

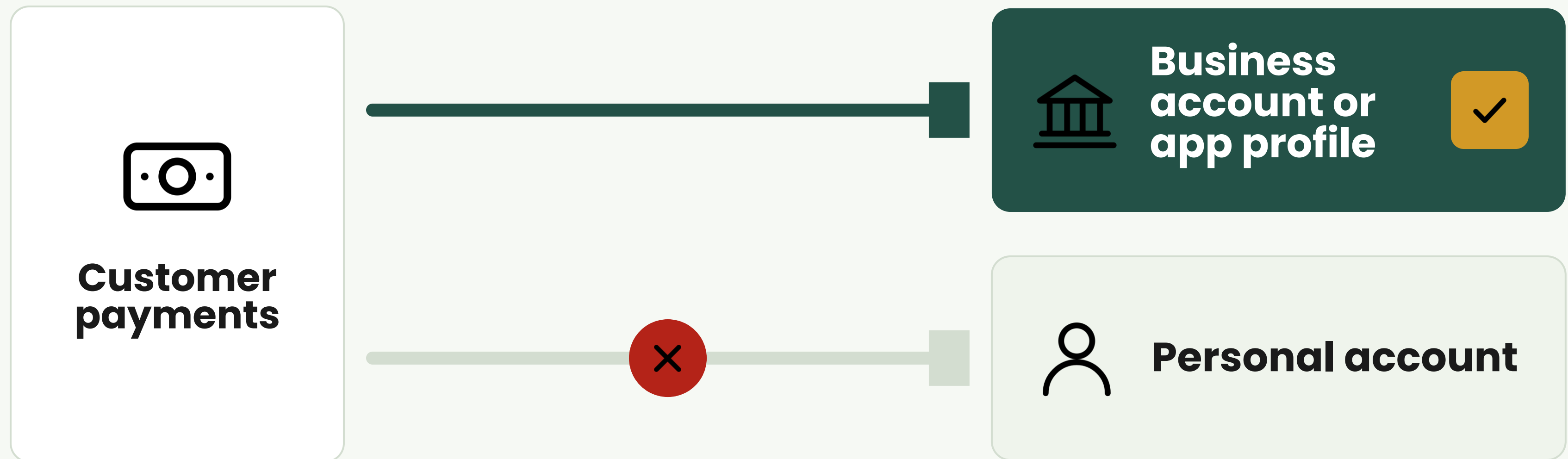
Cash App

PayPal

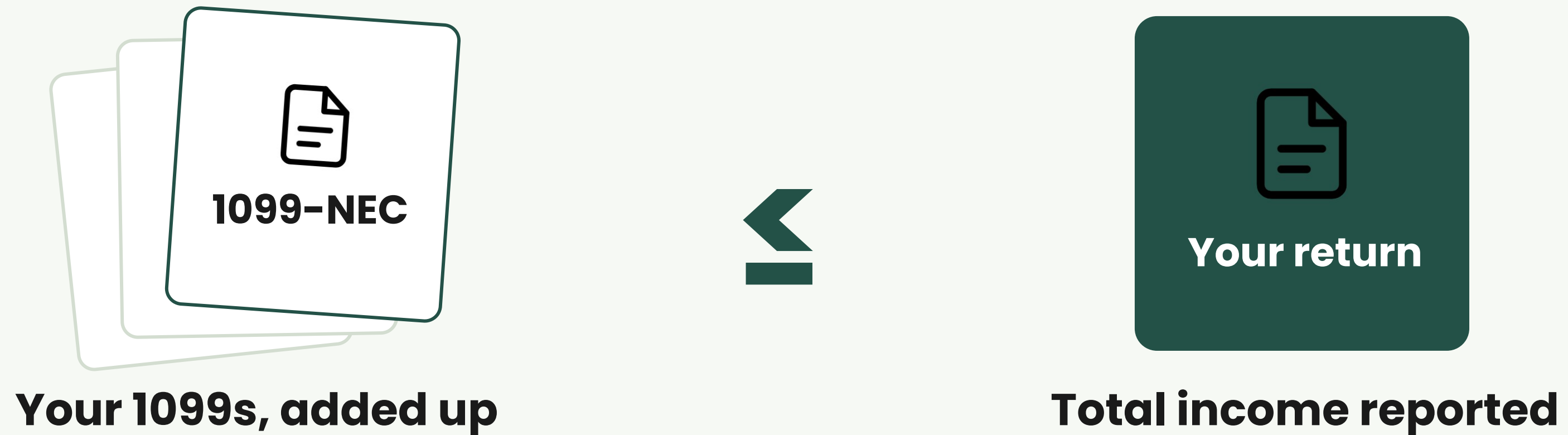
No 1099-K? Still reportable.

 [SEE THIS YEAR'S NUMBERS](#)

Get paid into a business account



The IRS matches 1099s to your return



✉ Don't match? Expect a letter.

Income people forget to report



Interest

From your business account

Bartering



Your crew keeps up his property



He services your trucks

Both sides report it



Canceled debt

A supplier forgives what you owe



Prizes and awards

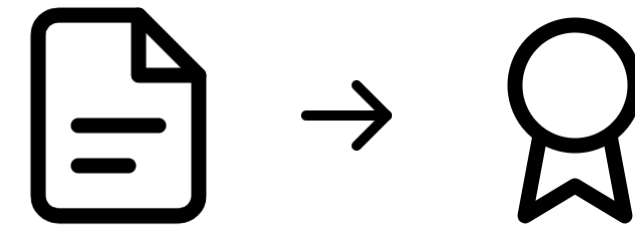
Your business wins

Card rewards: discount or income?



Cash back from spending

A discount, not income



Bonus just for signing up

Can be taxable

 **Not sure? Ask your preparer.**

Don't count these as income

Not income



Loans

It gets paid back

Not income



Your own money

Put in from your pocket

Not income



Sales tax

You collect and send in

Deposits count when you get them

Cash
method

THIS YEAR	NEXT YEAR
 Deposit paid	 Job done
Counts here	

Sort your deposits, then check your 1099s



Before the next lesson



Pull this year's bank statements



Mark each deposit: income or not



Compare your total to your 1099s



Next: **Deduction rules and record keeping** →

LESSON 3

Deduction Rules and Record Keeping



What's deductible



Business or hobby



Records to keep

Educational content, not tax or legal advice.

Is it ordinary and necessary?

Ordinary: common in your work

Necessary: helpful for your business

✓ **Yes**



Fuel



Mower blades



Trimmer line



Trailer repairs



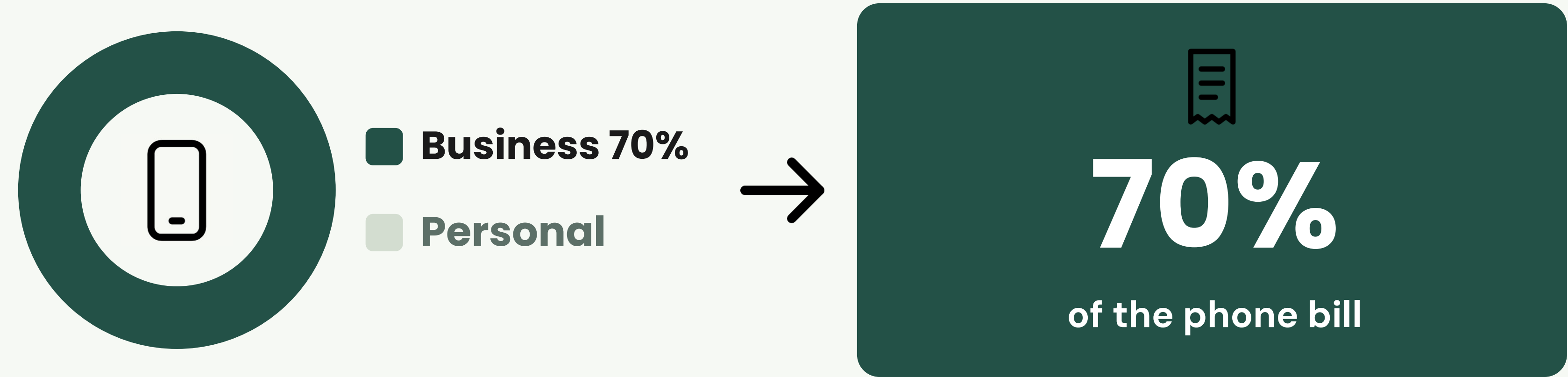
Liability
insurance

✗ **Usually no**



Gym membership

Used for both? Deduct the business share



A business is out to make a profit

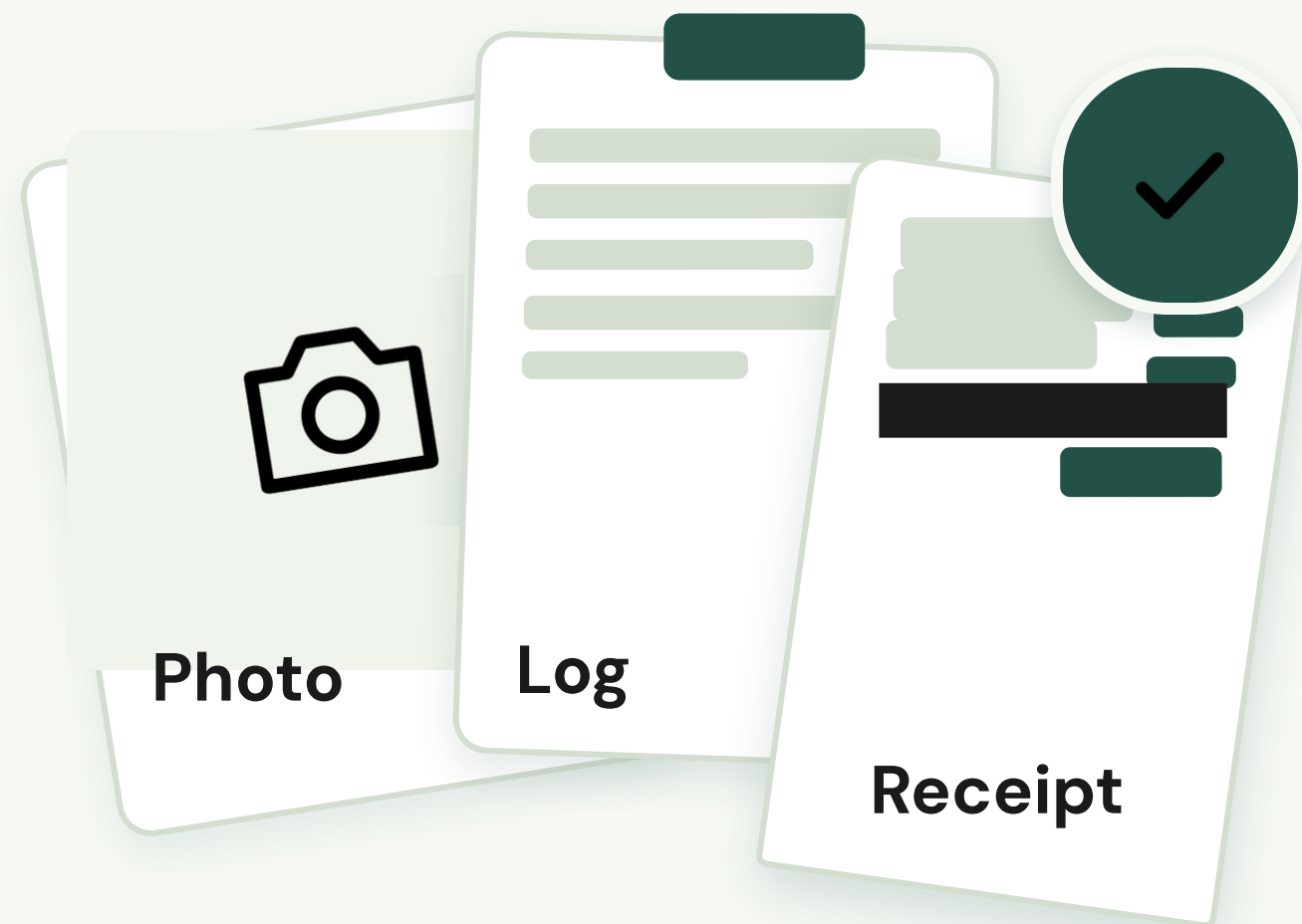


Profit in 3 out of 5 years

Also helps:

-  Separate account
-  Real records
-  Price jobs to profit

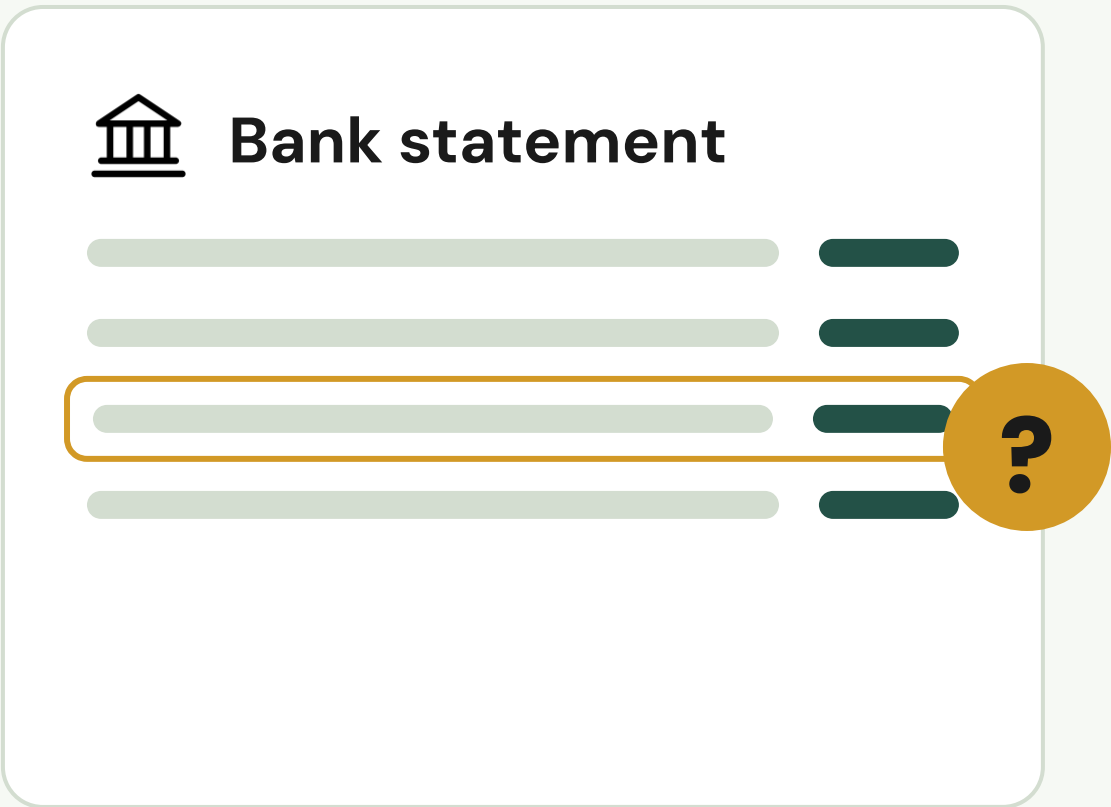
Records: the most important part



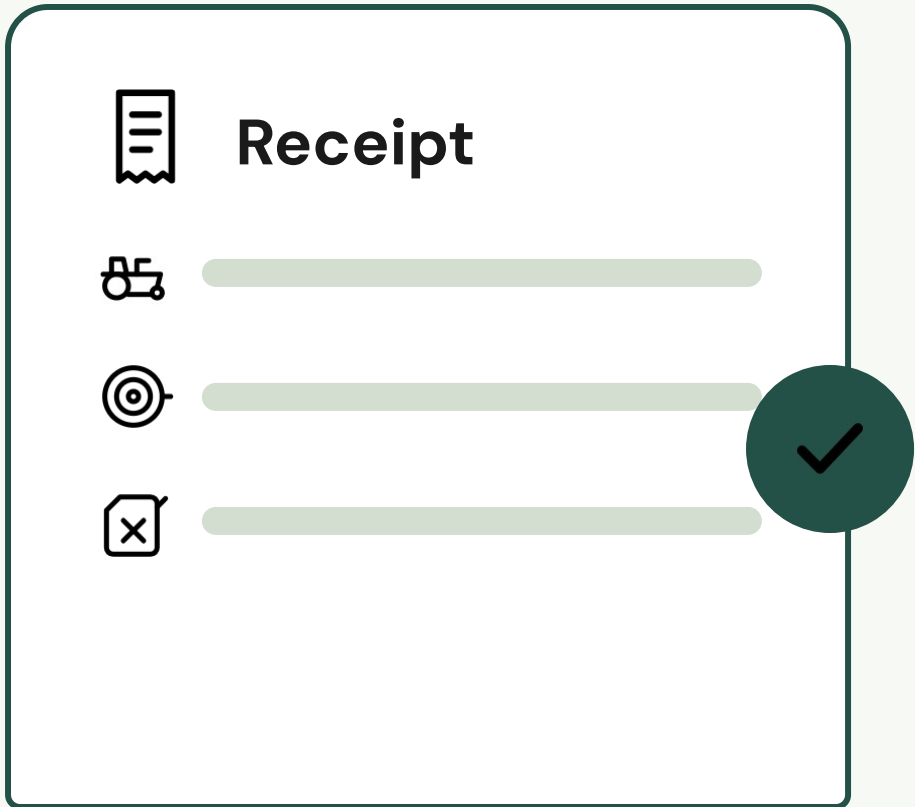
Can't prove it in an audit?

- ✗ Lose the deduction**
- + Penalties**
- + Interest**

Keep receipts for what you buy



Shows you spent money



Shows what you bought

Also keep these



**Bank and card
statements**



**Invoices you send
and 1099s**



Mileage log

Lesson 4



**Equipment: what,
when, cost**



Phone photos are fine, if readable

How long to keep your records

 **Most records**

At least 3 years

 **Left out a lot of income**

6 years

 **Equipment and vehicles**

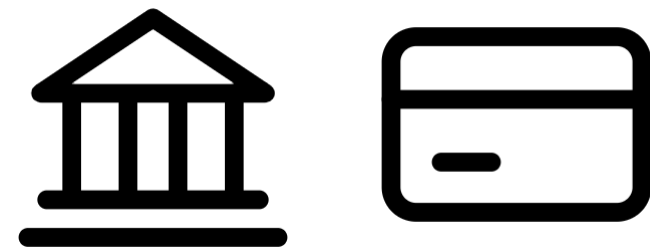
While you own it

+3 years after sale

 3 and 6 years count from the date you file

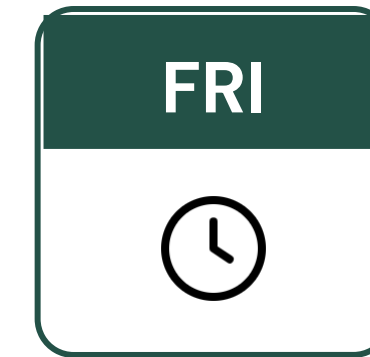
Two habits make it manageable

1



Separate account and card

2



15_{min}

Every Friday afternoon

 Or pay someone to do it

Set up your system this week



Before the next lesson



Open a business account and card



Pick your weekly bookkeeping time



One place for every receipt



Next: **The vehicle deduction** →

LESSON 4

Vehicle Deduction



Two methods



Which miles count



Your mileage log

Educational content, not tax or legal advice.

Two ways to deduct your truck

Standard mileage



Business miles



Rate

or

Actual expenses



Real costs



Business %



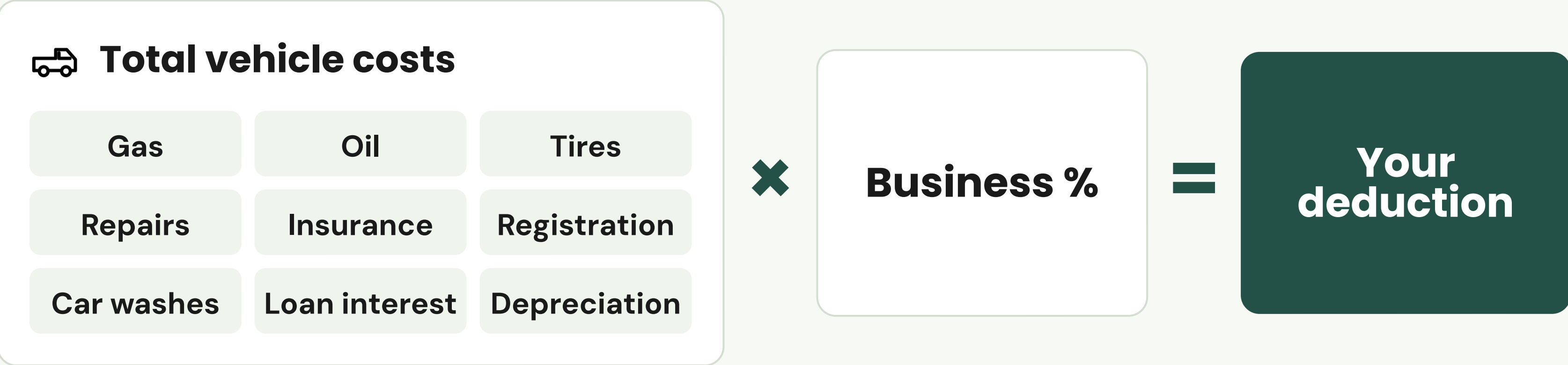
One method per vehicle, each year

Business miles times the IRS rate



Plus: Parking Tolls Business share of loan interest

Add up what the truck really cost



Find your business percentage



$$16,000 \div 20,000 = 80\%$$

Three rules decide your method



Standard mileage in year one



Free to switch later



Actual + accelerated depreciation



Locked into actual

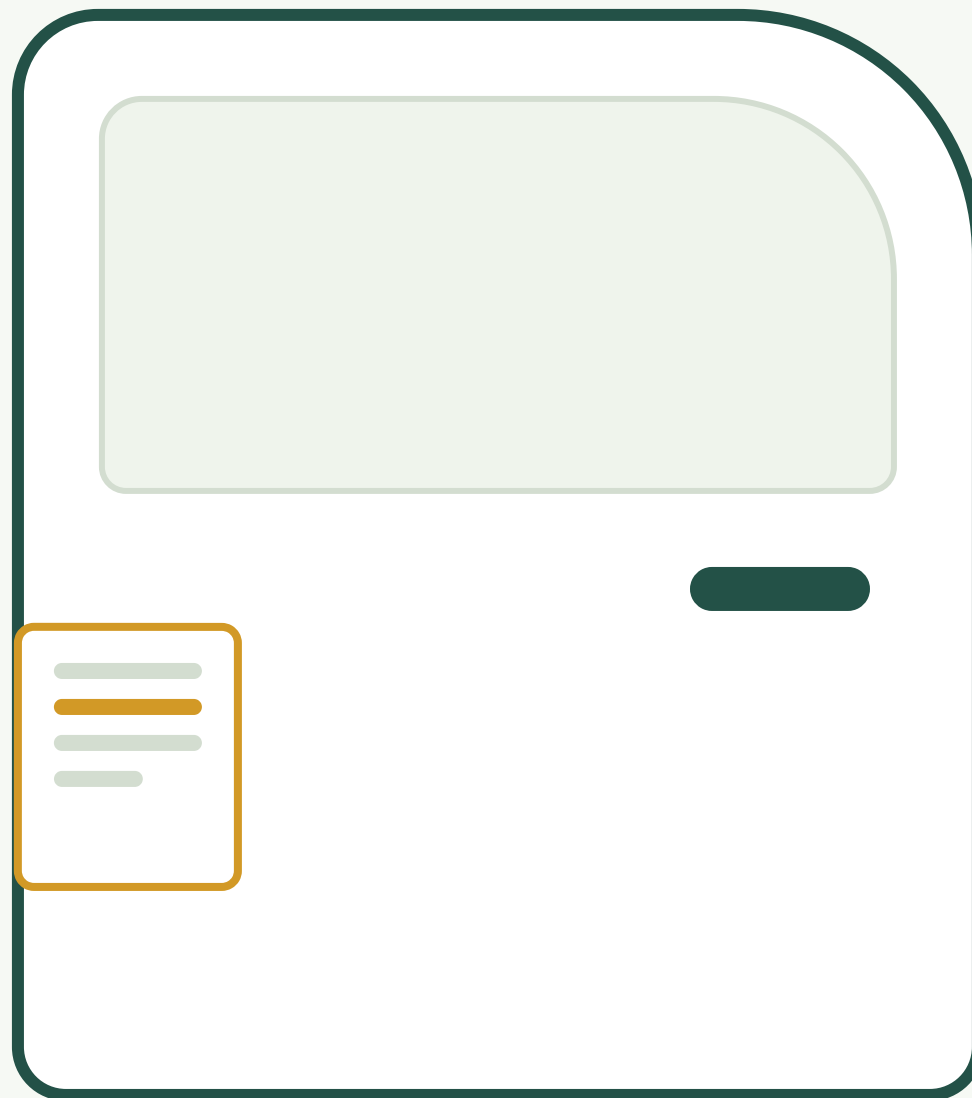


5 or more vehicles at once

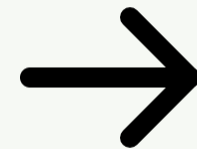


No standard mileage

Heavy trucks can often be written off faster



Driver's door



GROSS VEHICLE WEIGHT RATING

Over 6,000 lbs



Buying? Plan timing with your preparer

These are equipment, not vehicles



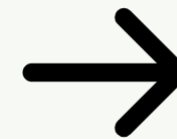
Mowers



Trailers



Skid steers

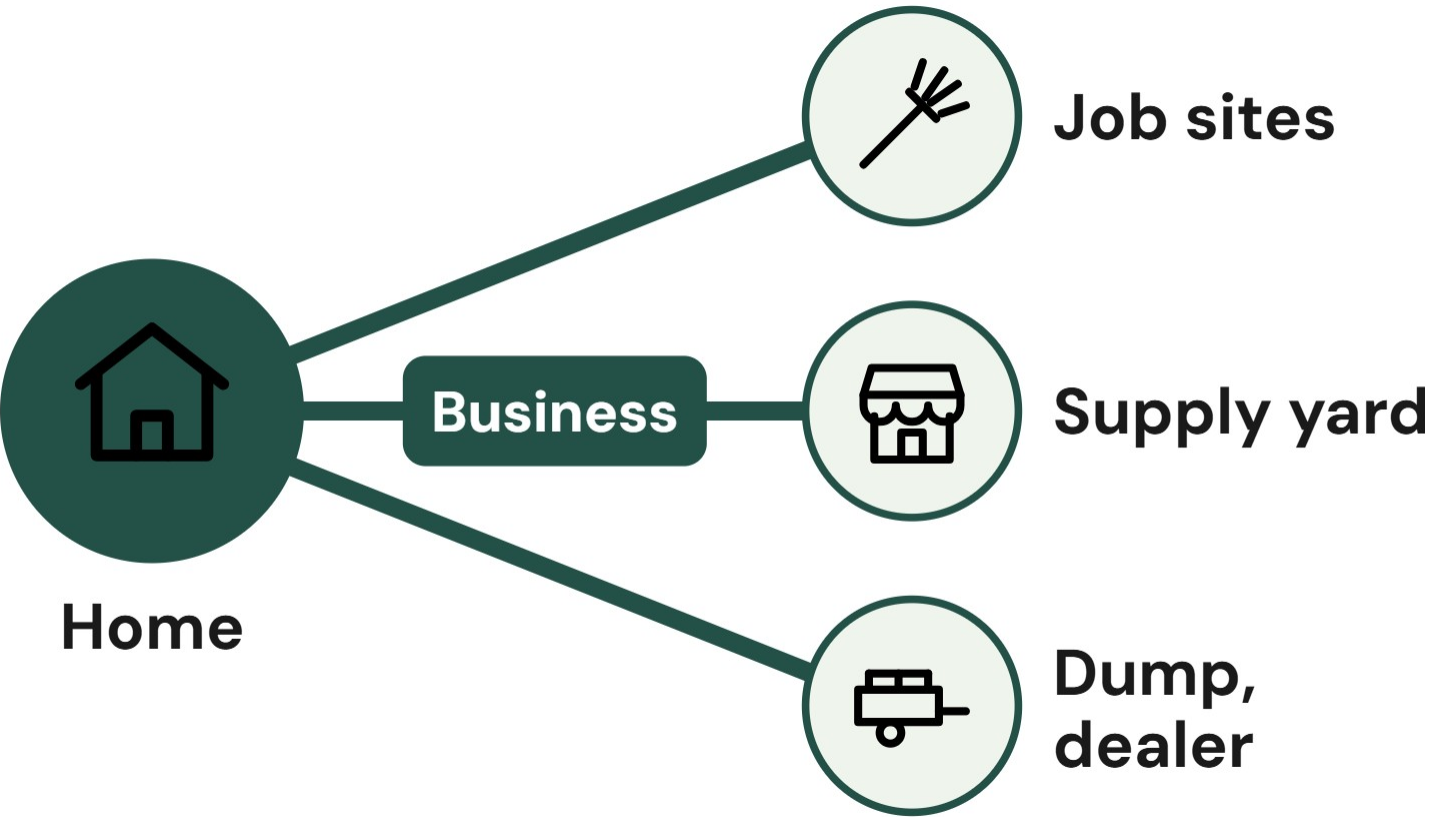


Equipment list

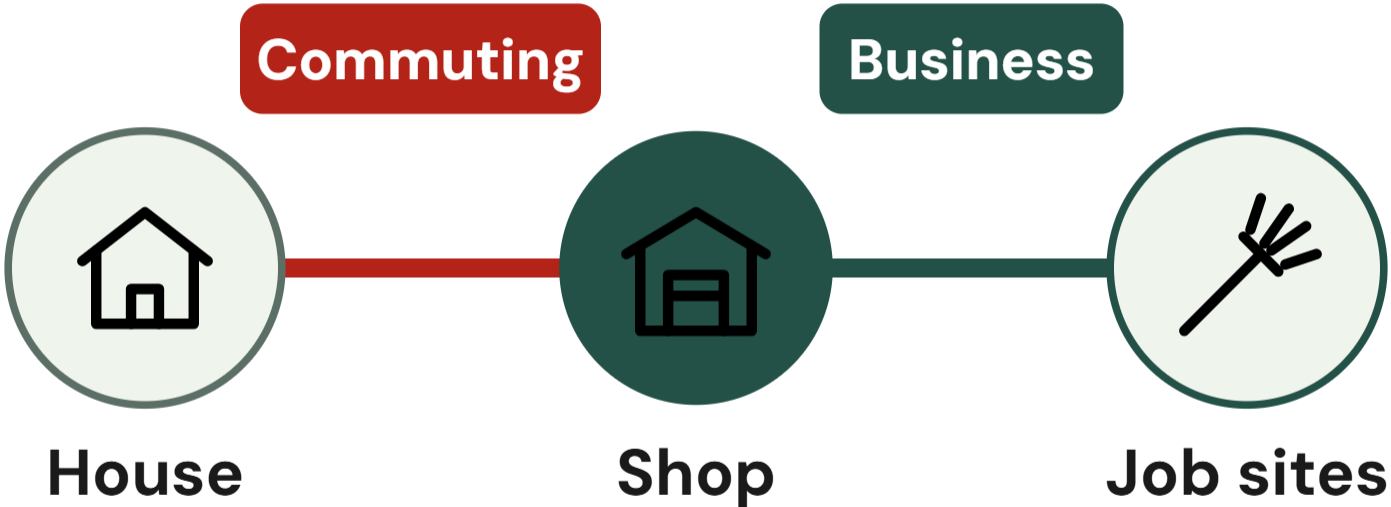
Lesson 8

Which miles count as business?

Home is your main office



You have a separate shop



Keep a written mileage log

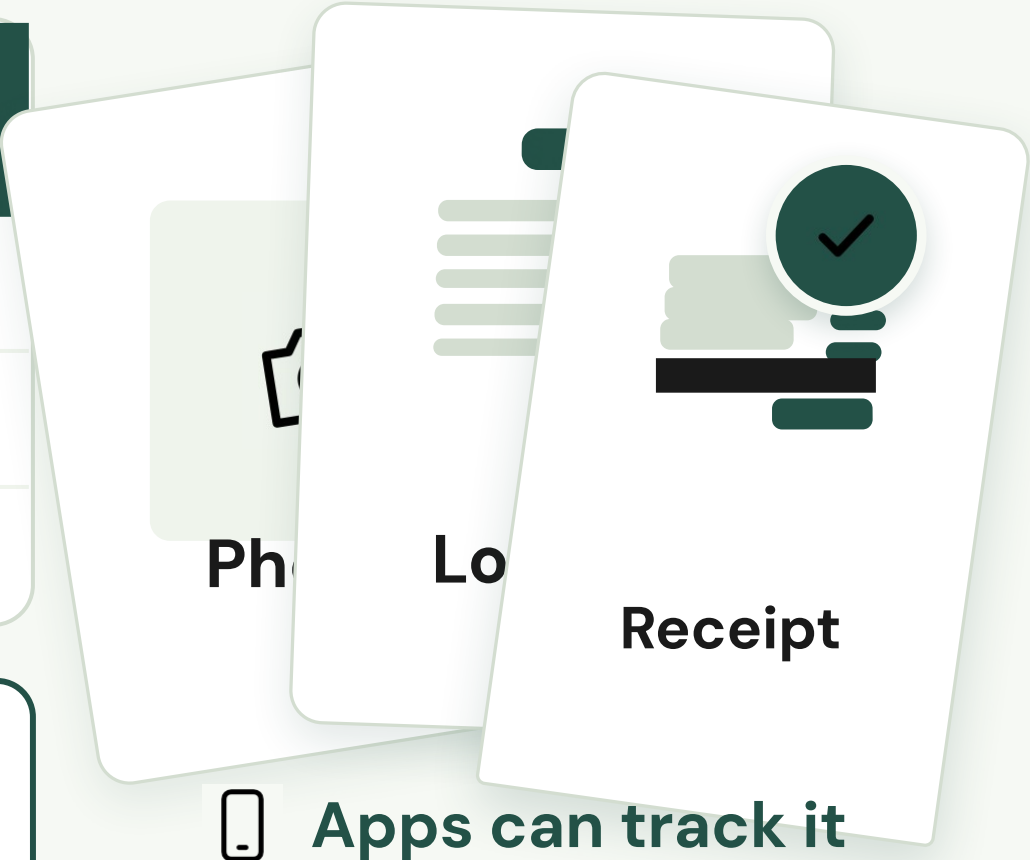
Date	Miles	Where	Why



January 1
Odometer reading



December 31
Odometer reading



Start your mileage log today



Before the next lesson



Write down today's odometer



Start your log: tracker or app



Don't rebuild it at tax time



Tool: Vehicle Deduction Tracker

Next: The home office deduction →

LESSON 5

Home Office Deduction



Who qualifies



Two ways to figure it

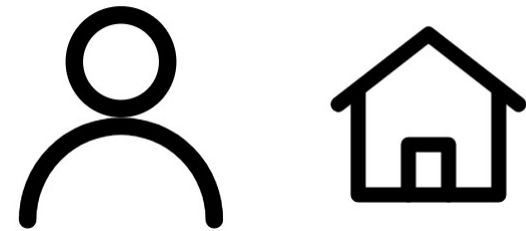


A separate building

Educational content, not tax or legal advice.

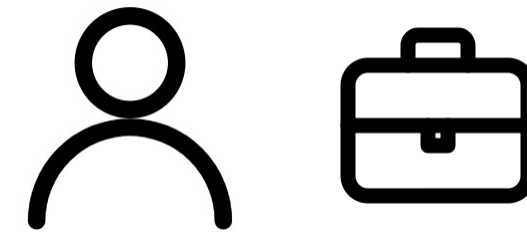
For self-employed people only

✓ Yes



Self-employed

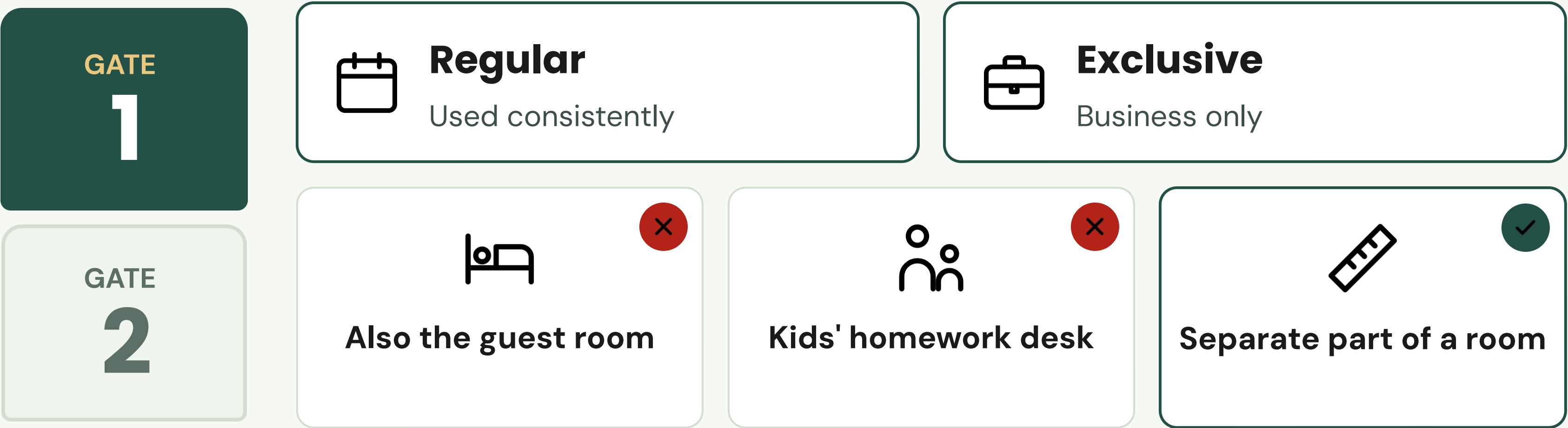
✗ No



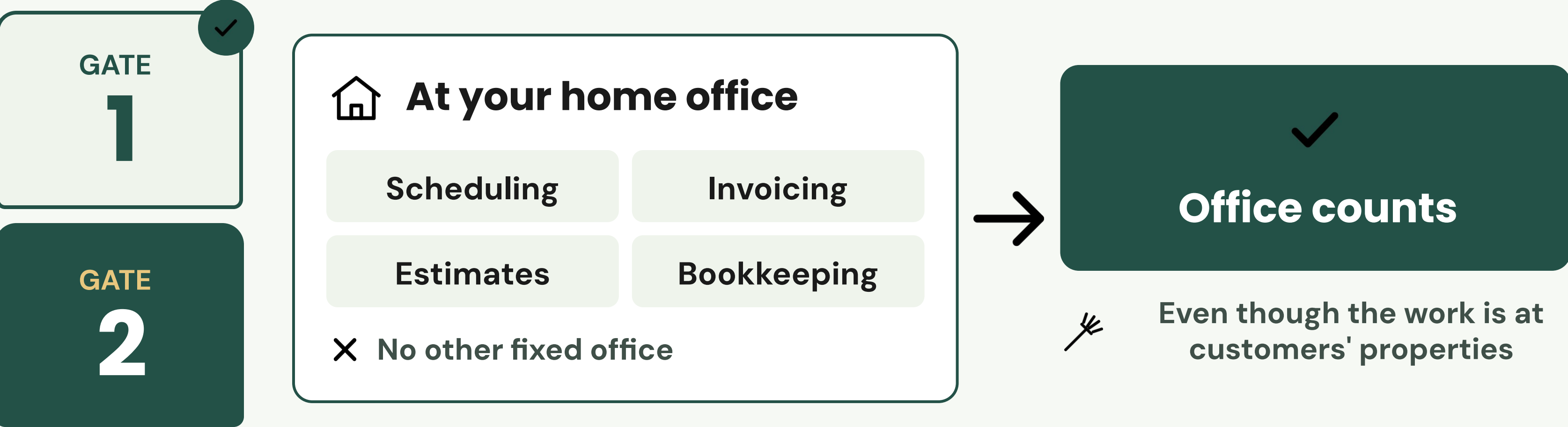
W-2 employee

Permanent rule

Test 1: regular and exclusive use



Test 2: your principal place of business



A separate building can qualify on its own



 **Detached garage**

 **Barn**

 **Shed**

Used regularly and only for the business

 **Doesn't have to be your main office**

The key word is “only”



Inside the shed



Business
equipment



Personal truck



Lawn furniture



Attached garage

Part of the house

Regular home office tests

The simplified method

\$5
per square foot

×

Up to
300
square feet

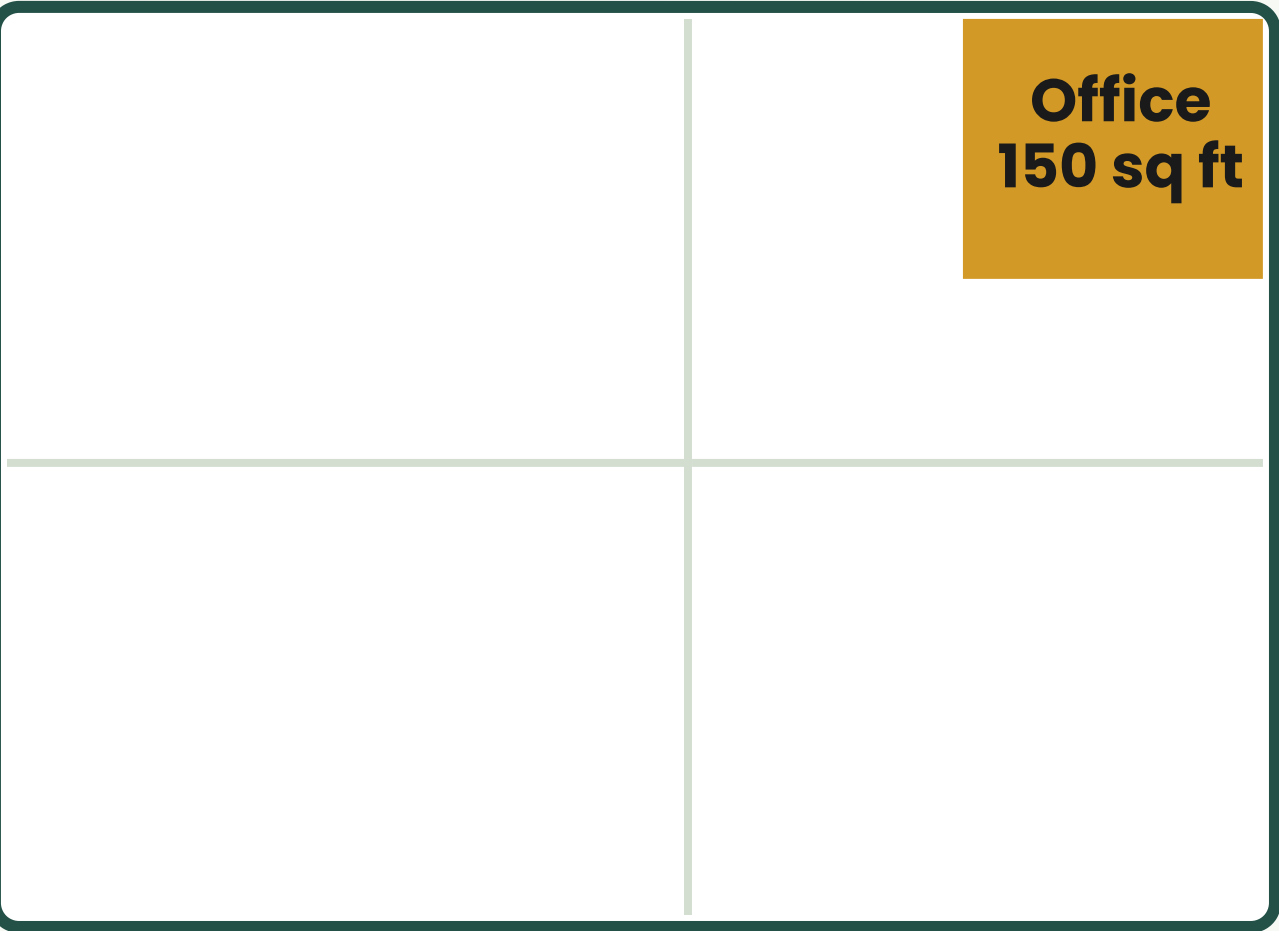
=

\$1,500
maximum

✓ Less math, fewer records

📷 Still show the space qualifies

Actual expenses: more work, often more money

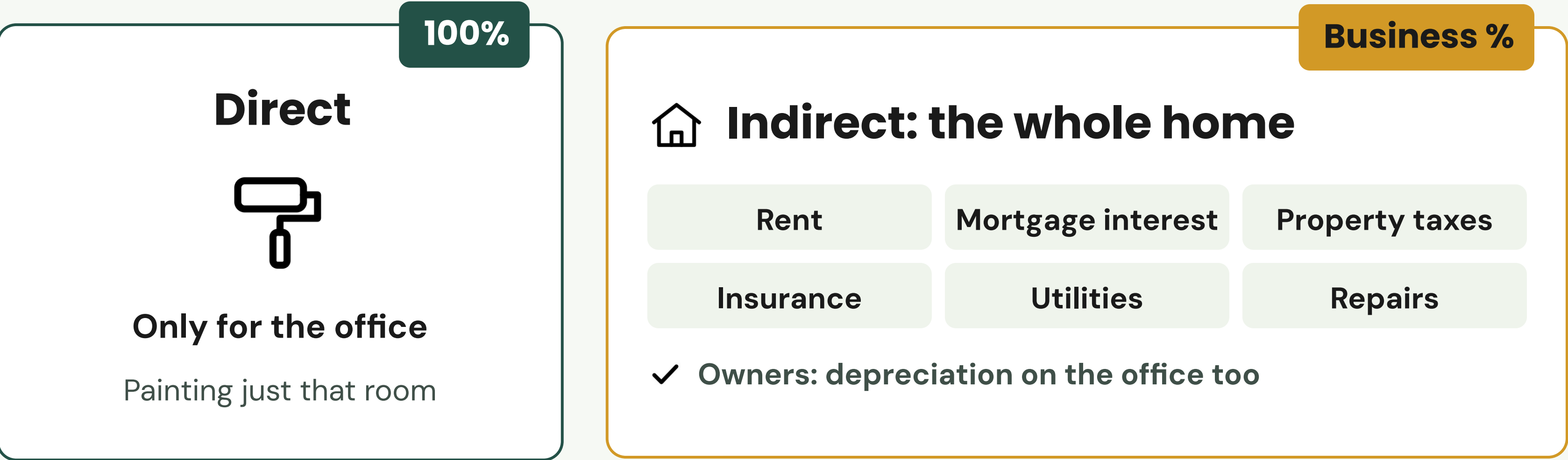


$150 \div 2,000$

$= 7.5\%$

Your business percentage

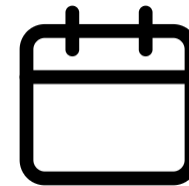
Sort expenses into two groups



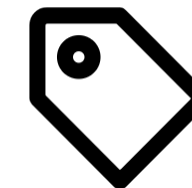
Depreciation can come back when you sell



Own your home



**Take depreciation
on the office**



Sell the house

Part can be taxed

 **Usually still worth it. Ask your preparer.**

Measure, photograph, save



Before the next lesson



Measure the office and the home



Photograph the business space



Save both with your tax records



Tool: Home Office Deduction Tracker

Next: Business meals →

LESSON 6

Business Meal Deduction



Which meals



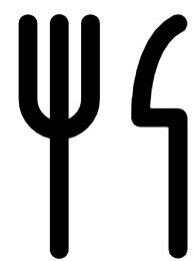
How much



What to write down

Educational content, not tax or legal advice.

Most business meals are 50%



50%

All four must be true



Real business purpose



Not lavish



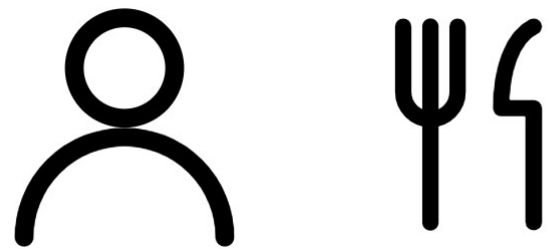
You or your worker there



With a business contact

Lunch alone on a workday doesn't count

Not deductible



By yourself, on a workday

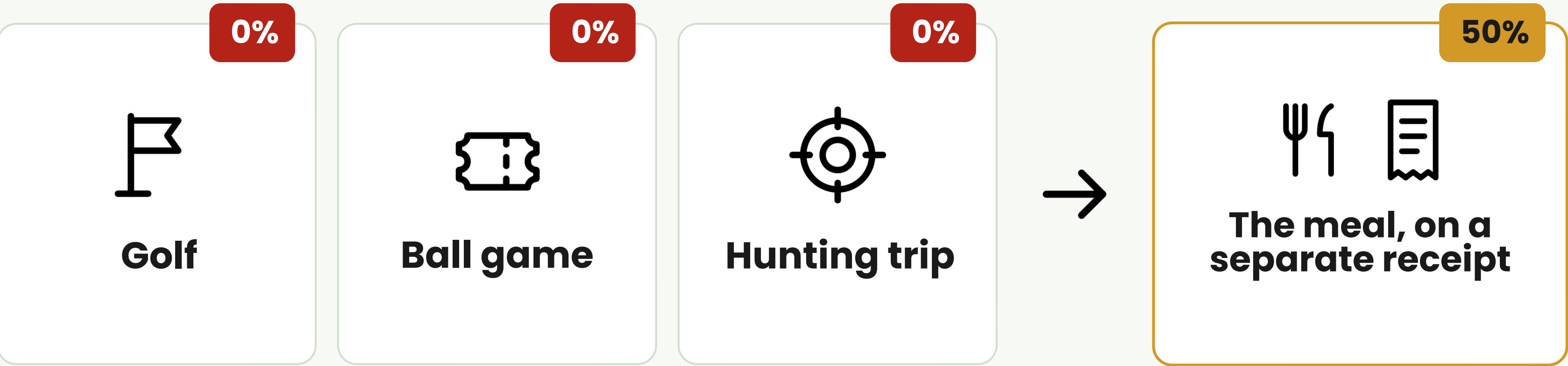
You'd eat lunch anyway

Lesson 7



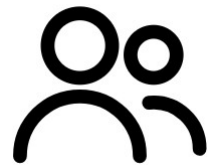
**Overnight business trip?
Different rules.**

Entertainment is 0%, even talking business



Crew meals have their own rules

100%



Party or cookout for everyone

50%



Food at a team meeting

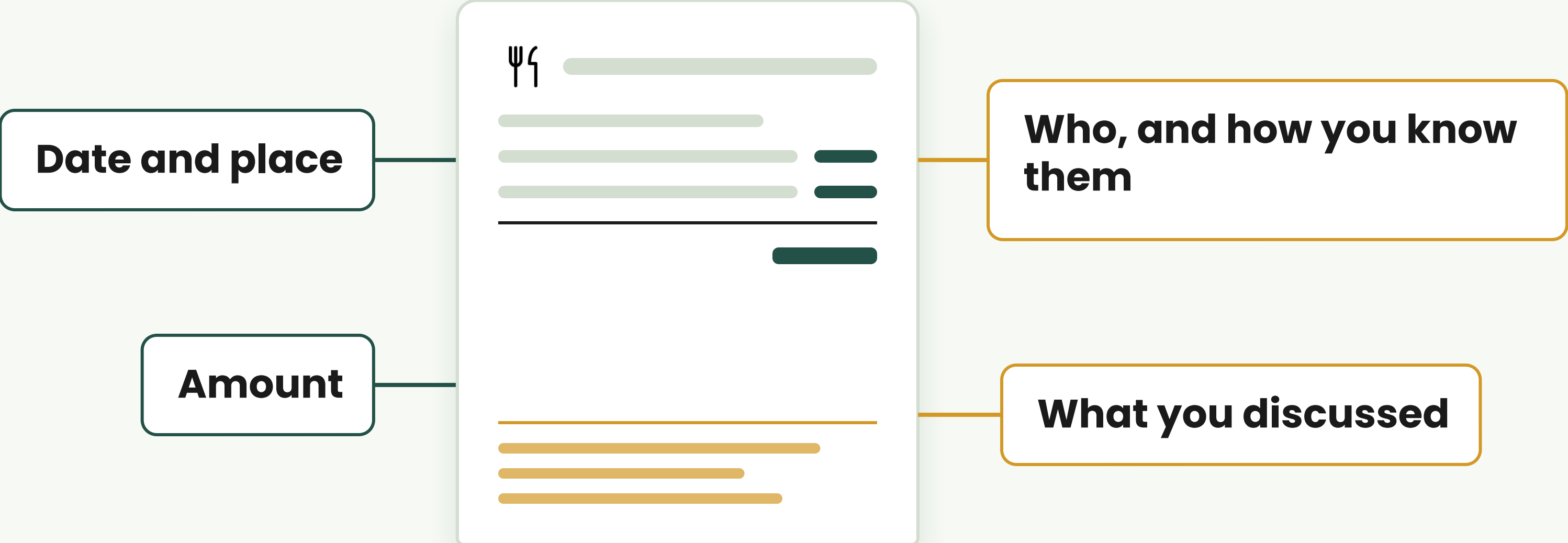
Not deductible



Regular lunches for your convenience

 **Buy crew lunch often? Ask your preparer.**

Write it on the receipt, same day



Log recent business meals now



Before the next lesson



Check recent card statements



Find the business meals



Log them in the tracker



Tool: Meal Tracker

Next: Business travel →

LESSON 7

Business Travel Deduction



What counts



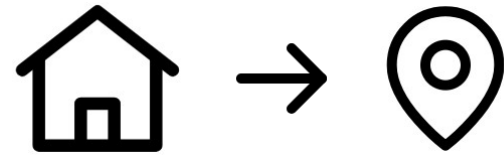
What you can deduct



Records

Educational content, not tax or legal advice.

Business travel? All three are true



Away from your tax home

Where your business is based



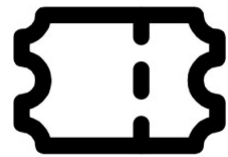
Long enough to sleep there

Longer than a workday



Real business purpose

Trips that can count for landscapers



Trade show

Equip Exposition, Louisville



Certification course

Out of town



Storm cleanup job

Out of town

Getting there, staying there: 100%

100%



Transportation

Airfare

Rental car

Rideshare

Bag fees

Truck miles

100%



Lodging

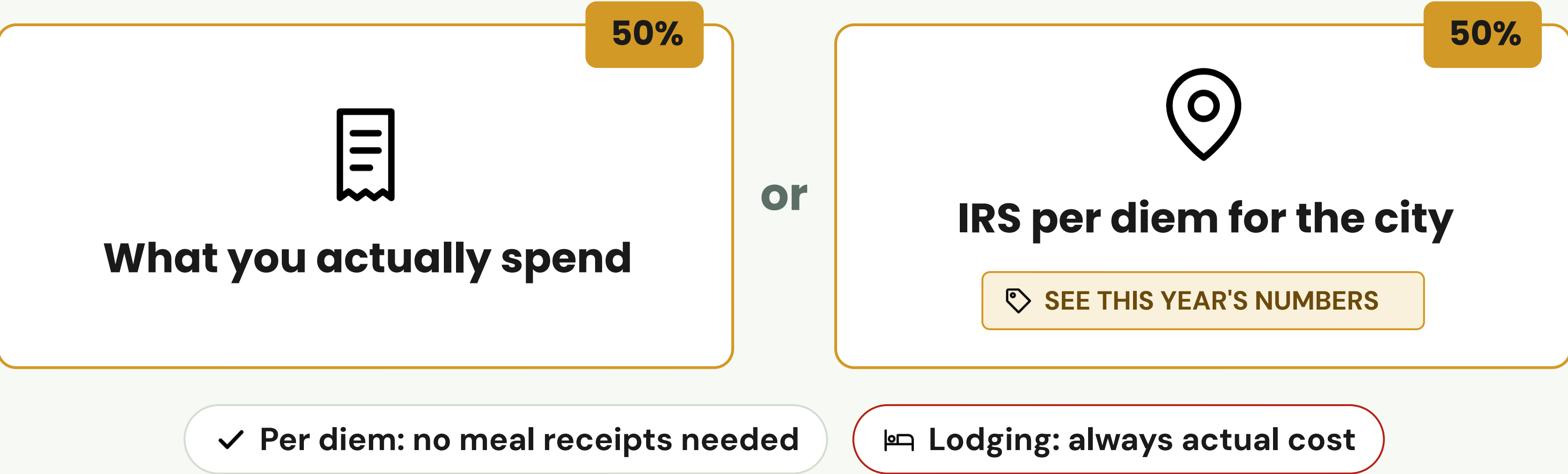
100%



Incidentals

Tips, dry cleaning, business calls

Meals on the road: 50%, two ways



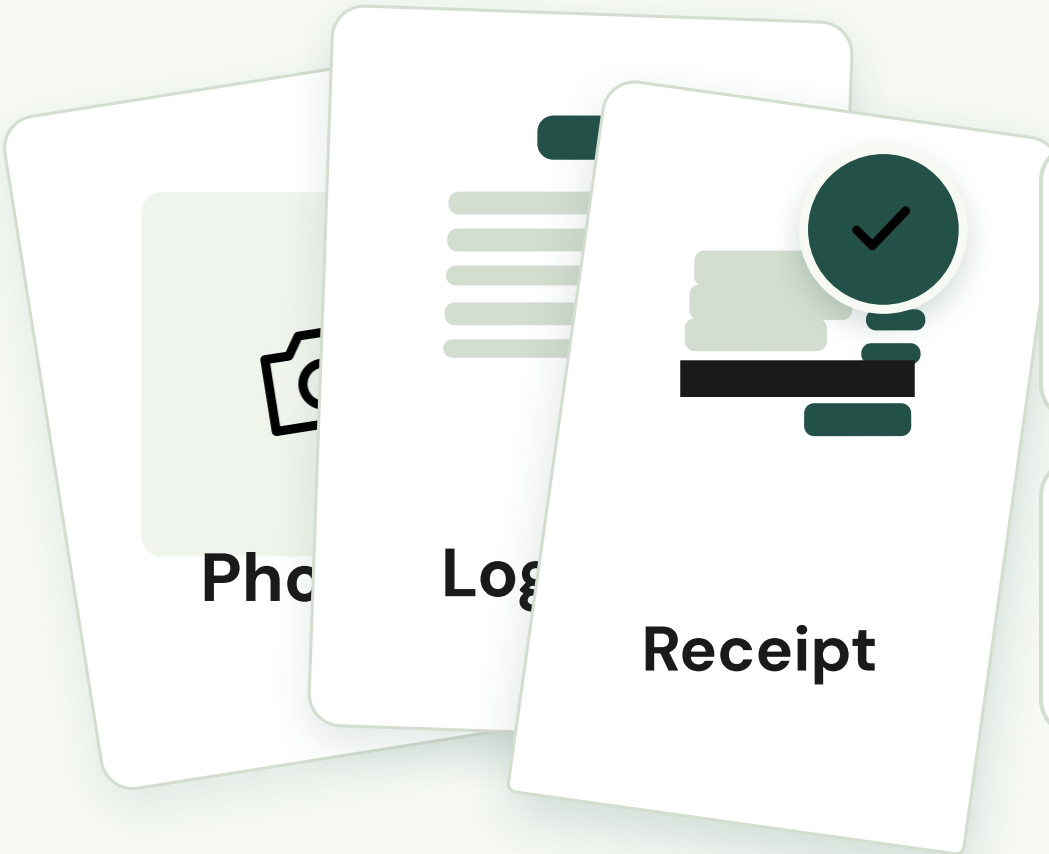
Personal days are on you

	BUSINESS DAYS	PERSONAL
 Getting there	✓ Deductible if mainly business	
 Hotel and meals	Deductible	On you

Not deductible

**Family along**
Unless they work for the business, for a real reason

Keep proof of the whole trip



Dates out and back



Where, and why



Lodging and travel receipts



Every expense



Event agenda or registration

Proof of the purpose

Track the trip while it happens



Before your next trip



Write the purpose before you leave



Use the tracker on the road



Tool: **Business Travel Tracker**

Next: **Equipment and other deductions** →

LESSON 8

Equipment and Other Common Deductions



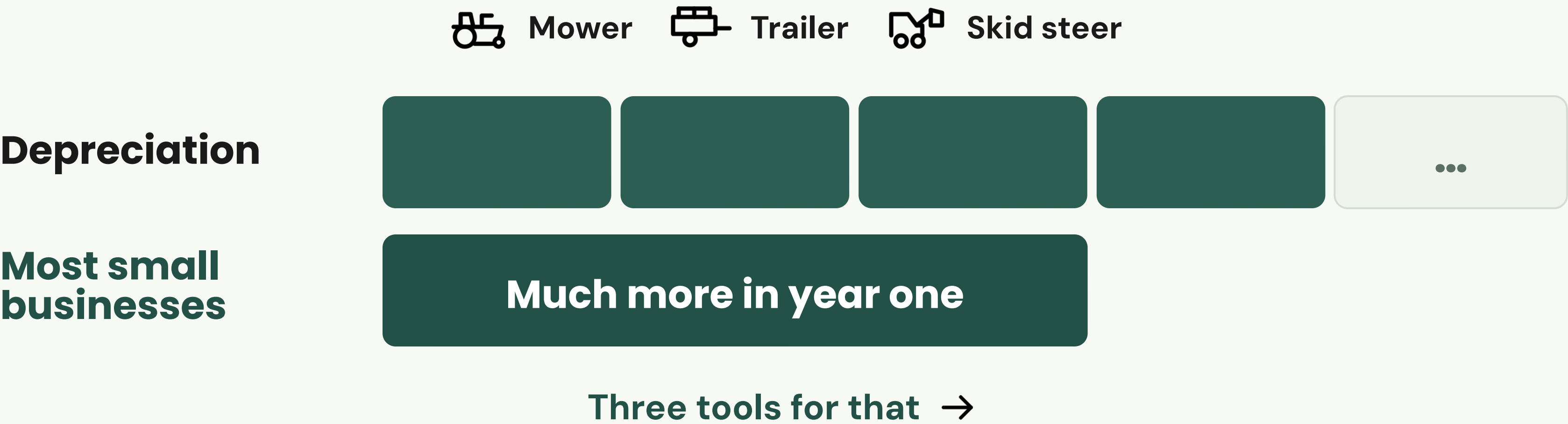
Your equipment



Deductions people miss

Educational content, not tax or legal advice.

Spread the cost, or take it in year one



Small items: write them off now

Tool 1

De minimis safe harbor

\$2,500 or less, per item



Blowers Trimmers Push mowers

 Your preparer elects it on your return

TOOL 2
Section 179

TOOL 3
Bonus depreciation

Bigger equipment: full cost in year one

TOOL 1
De minimis

Tool 2

Section 179

- ✓ Full cost, the year you start using it
- ✗ Can't create a loss

Tool 3

Bonus depreciation

100% Permanent now

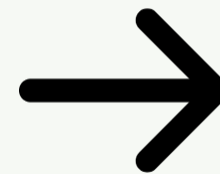
- ✓ Full cost in year one
- ✓ Can create a loss

A new zero-turn, written off in year one



\$14,000

Zero-turn mower



In many cases

\$14,000

Deducted in year one



This year vs. next year? Plan it with your preparer.



Sell it later? The price is income.



Track each piece:

What it is

When bought

What you paid

How written off

Startup costs, gifts, and advertising

Startup costs

Before you opened: LLC, training, research

Up to
\$5,000 in year one

Over \$50,000? It shrinks.

The rest: over 15 years

Gifts

\$25 per person, per year

Engraving and shipping don't count

Logo items about \$4 or less → Advertising

100%

Advertising

- Yard signs
- Truck wraps
- Door hangers
- Website
- Google ads
- Sponsorships

 The Little League banner

Fees, bad debts, and interest



Bank and merchant fees

Card processing fees

Payment app fees



Deductible



Bad debts

A customer never pays

Cash

No

Accrual

Yes

Missed the most



Interest

Business loans

Equipment financing

Business credit cards

Truck loan, business share



All deductible

The Tax-Ready Business Toolkit · West Financial Services LLC

85

Professionals, education, health insurance

 Legal and professional

Attorney

Bookkeeper

Business part of tax prep

No Your personal return's share

 Education

Keeps or improves skills for your work

Pesticide applicator CE

Irrigation, arborist certs

Courses like this one

 Health insurance

You, your spouse, your dependents

 Goes on your personal return

No Months eligible for a subsidized employer plan

Plus the everyday costs



Fuel



Blades



Small tools



Plants and materials



Dump fees



Licenses



Uniforms and safety gear



Phone



Software



Equipment rental

Find what you've been missing



Before the next lesson



List this year's equipment



Check your books against the list



Asset Depreciation Tracker



Common Business Deductions

Next: **Contractors and paying your kids** →

LESSON 9

Contractors and Paying Your Kids



Paying contractors



Hiring your kids

Educational content, not tax or legal advice.



Contractor or employee? Look at how they work.



Contractor



Own equipment



Own insurance



Own schedule



Other clients too



Likely an employee



Rides in your truck



Runs your mower



Shows up when told

No matter what the paperwork says

Before any work, get two papers



Form W-9

Legal name and taxpayer ID



Certificate of insurance

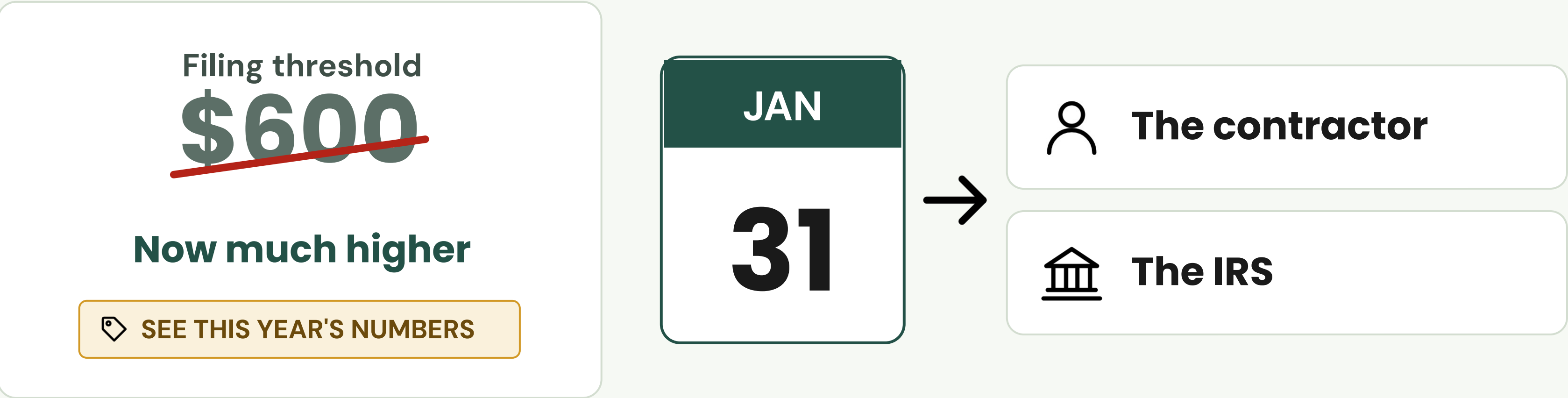
Liability coverage is active

No W-9?

24%

held back and sent to the
IRS

Year end: file a 1099-NEC



Skip some, file on time, file free

Usually no 1099



Contractors that are corporations



Paid by card or app:
they report it



**Late? A penalty for
every 1099**

It grows the longer you wait

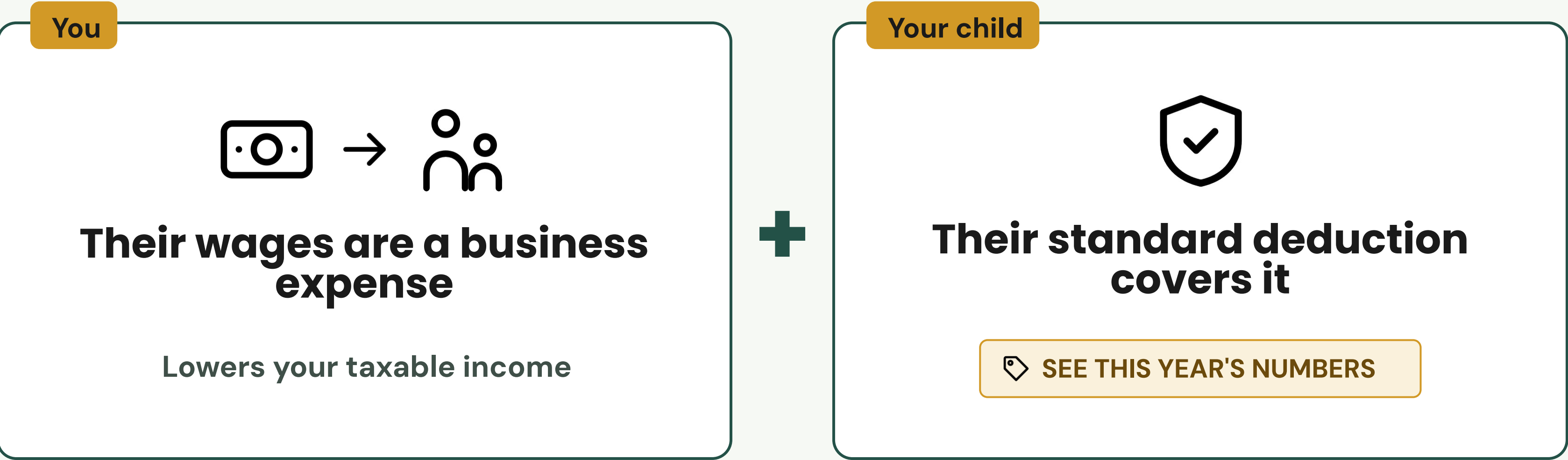


File free with IRIS

Or use a filing service



Two things working together



✓ **Under it? Generally no federal income tax.**

Payroll tax breaks depend on your entity

Your business	Social Security, Medicare child under 18	Federal unemployment child under 21	Wages deductible
 Sole proprietor, single-member LLC, or parents-only partnership	Not taxed	Not taxed	Yes
 S corporation or C corporation	Taxed	Taxed	Yes

Real work that fits their age



Raking and cleanup



Loading and washing
equipment



Before-and-after
photos



Phone and
scheduling



Household chores



Power equipment: federal limits, and state rules can
be stricter

Pay it right, and write it down



-  **Document:**
- Job description
 - Timesheet: dates, hours, tasks
 - Rate of pay

Get your paperwork in place



Before the next lesson



Get a W-9 from each contractor



Write your kids' job description



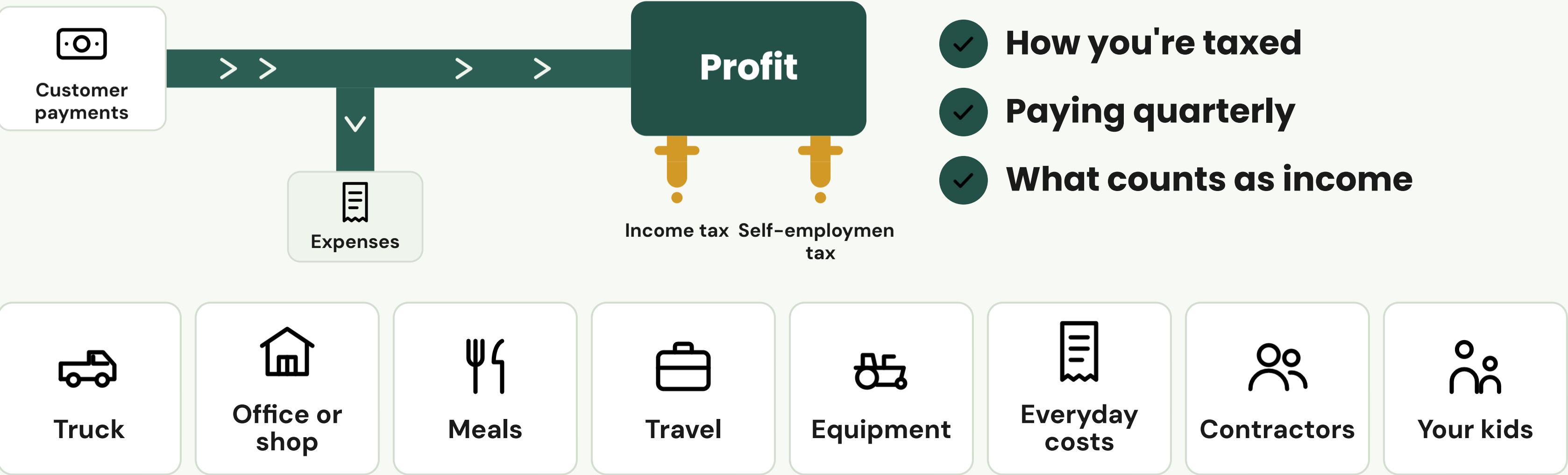
Start the tracker this week



Tool: Child Hire Deduction Tracker

CONCLUSION

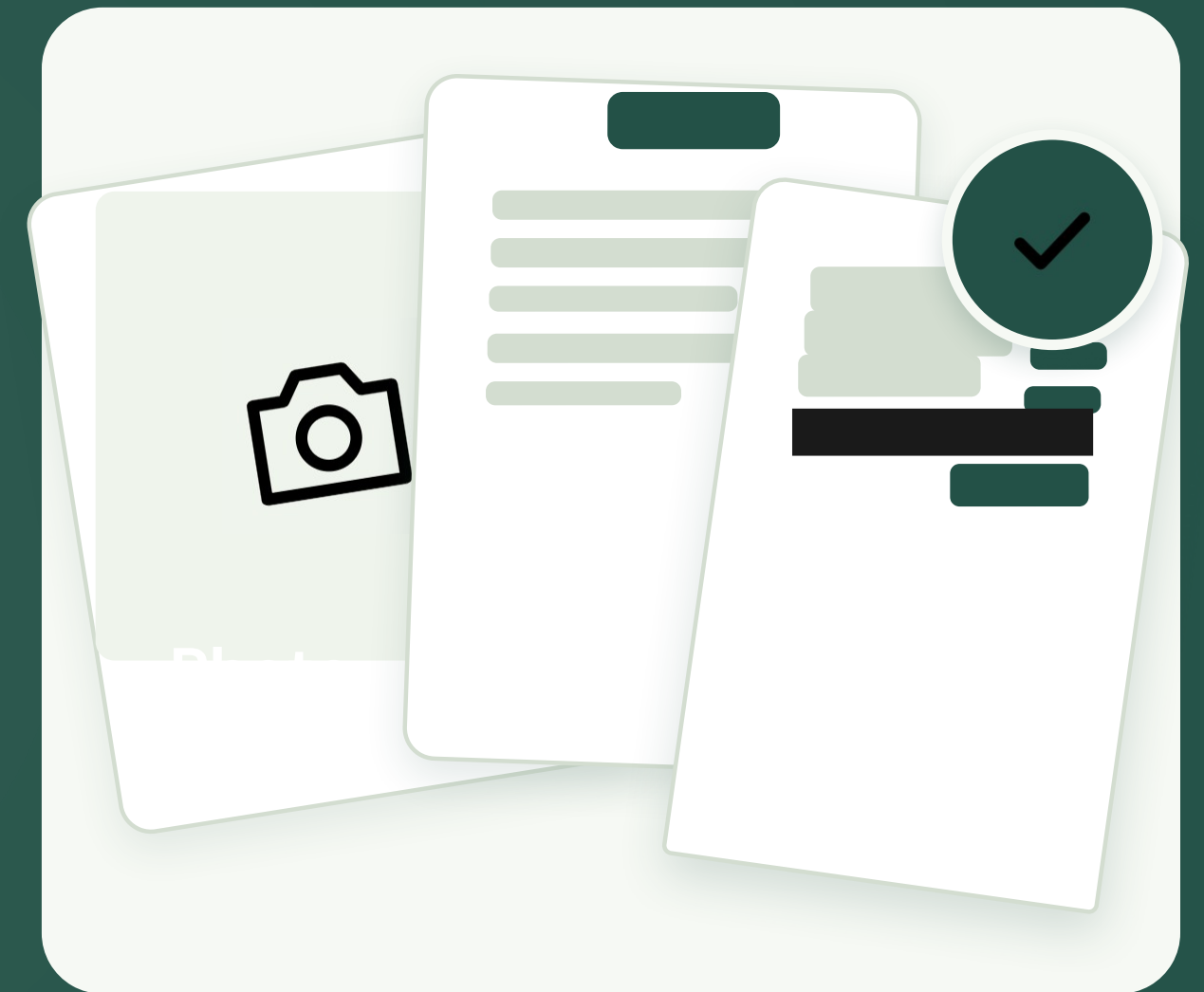
What you have in place now



THE ONE TAKEAWAY

Your deductions are only as good as your records

In an audit, what you can prove holds up.



Two habits to keep

1 Every week

FRI

✓

FRI

✓

FRI

✓

FRI

🕒

Keep your trackers up to date

2 Each tax season

🏷️

SEE THIS YEAR'S NUMBERS

Mileage rate, standard deduction,
and more

THE LANDSCAPER'S ACCOUNTANT

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Bookkeeping



Tax planning



Is an S corporation right for you?

The link is below this video ↓