

Monthly Newsletter

MAKING PAYROLL PERSONAL



What's New

Come Out For The RUN.WALK.STROLL!

06/11/23
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**UNDERSTANDING
BUSINESS ENTITIES**

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IRS UPDATE
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Mark your calendars for Sunday, June 11, 2023! The date may have changed, but the mission remains the same: to support our veterans and their families through the Flyers Warriors. Not only will you be supporting our veterans and their families by raising funds for much-needed programs, but you will also have the opportunity to follow in the footsteps of General George Washington and his troops along the scenic towpath.

Understanding Business Entities: Sole Proprietorship, LLC, & S Corporation Explained

Creating a business entity is essential to conduct business activities, but its organization and operations hold great importance. They determine taxation and debt liabilities for those involved. As a business owner, it's crucial to understand how these factors impact your finances and obligations. A Sole Proprietorship means you are the only owner and you have no partners. You don't need to register your business or file any paperwork with the state. You will receive payment through your social security number, but your personal accounts won't have any liability protection and your assets won't be separated from the business. Plus, you need to report your business income on your personal return.

Registering as an LLC provides numerous benefits for your business. Your state-recognized legal entity is assigned with a unique EIN# to receive payments, and grants you liability protection. With a separate business account, your assets are safeguarded, and business income can be reported separately on your personal tax return.

The term "business entity" describes any organization formed to conduct business.

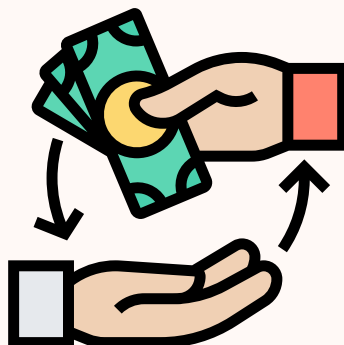
As an LLC, electing to become an S Corp can bring several benefits. This tax election involves reporting your business activity on a business tax return, paying yourself a regular salary as a W-2 employee, and reducing your self-employment tax burden. Although it requires extra paperwork, bookkeeping, and tax filing, joining forces with Collective can ease the burden and help you make the most of this tax structure.

IRS Update: What's The Scoop?

Did you file your tax return, but still haven't heard back from the IRS? Here's what you need to know: all paper and electronic returns received before January 2023 have been processed, but there are 4.2 million unprocessed returns as of May 13, 2023.

Of those, 2 million require error correction, and the rest are paper returns waiting to be reviewed and processed. Refunds for returns with errors will take longer than 21 days to process. If you're owed a refund, you'll be processed first, followed by those with taxes due.

For current tax season returns, refunds are processed first, while returns that require you to pay taxes are processed last. If you need to provide more information or verify your return, the IRS will let you know in writing. Keep in mind that it could take up to 120 days to resolve any issues.



5 WORKPLACE TIPS FOR MENTAL HEALTH AWARENESS

The pandemic has irreversibly altered the workforce, with a significant focus on mental health. Nowadays, employees commonly request mental health benefits, including days off for their mental wellbeing. As business owners, it is imperative that we equip our staff with the necessary support to maximize their productivity and performance.

- 1 Promote healthy work-life balance habits**
- 2 Create a safe space for mental health awareness conversations**
- 3 Offer benefits for mental health services**
- 4 Give your employees access to online mental health resources**
- 5 Encourage leaders to talk openly about mental health**

Payroll Hacks

Are you drowning in paperwork and struggling to manage your time? It's not uncommon to feel overwhelmed with scheduling, organizing projects, and completing tasks. That's why we're here to simplify your business practices and boost productivity.

With PSS's employee access you can allow your employees to have access to their past paystubs and W-2's on the go, independently. Say goodbye to the old times and step into the future of modern payroll with employee access. Get setup today and see what a timesaver this service is for your business!

