

Foresight Accounting



accounting

What Foresight Accounting Has Been Working On, Doing and Learning This Month

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Sexy Accounting

Dan Isard
President

Just as children adapt the attitude of a parent on various issues, we think that clients pick up our attitude on accounting. We think accounting is cool. We love it when we hear from new accounting clients that they love finally having a real time accounting system as opposed to waiting four to six weeks or longer to see how their businesses are doing. Accounting is cool and we love being the Johnny Appleseed of spreading that word.

Since all of our accounting clients are funeral homes or cemeteries, we don't expect that the average owner will know General Ledger formula to enter a customer payment, but we know that they will get our excitement when they see their A/R is in line or bad debt is lower than last year. Most can't compute a Current Asset Ratio but they can feel it in their stomach lining when they are not pressed for finding a way to make ends meet with limited cash. That is how we try to make accounting sexy.

Much like the Supreme Court Justice Potter Stewart could not define pornography but was quoted as saying, "I cannot describe pornography but I know it when I see it." We know that our clients can't always describe what makes an accountant good, but we want them to know how good we are by seeing our passion for the numbers, efficiency with the process and our ability to guide them to the promised financial results.

I hope that 2014 is a Happy, Healthy and Prosperous year for you all!

Time for 1099s

Diane DeClerq
Manager Accounting Department

The Internal Revenue Service requires businesses to submit what it calls information returns to prevent tax evasion and misstatement of income. One of these is the W2 form which reports employee gross wages and amounts withheld for taxes. Another is the 1099-MISC which reports compensation paid to a vendor or subcontractor that is NOT incorporated.

According to the IRS, you use the 1099 form to report payments for services – not goods – relating to operating your company to unincorporated vendors when you've paid them at least \$600 in a given year. For example, paying \$800 to have national chain American Computers, Inc. install software on your computers would not be reported. Using John Doe IT Services (and he is not incorporated) to do the same work would require a 1099 MISC to be issued.

From your standpoint this includes clergy, hairdressers, organist, and any other contract labor that is paid directly and not through payroll.

In order to generate 1099-MISC you do need to obtain the vendor/contractor's name, address, and Tax ID number, a fillable W9 form is available on the IRS.gov website, or you may contact our offices to obtain a pdf of the form.

Please do not hesitate to call our offices if you have any questions.