

Are you a blogger or business?

How are you structured?

Sole Proprietorship

You make income from your blog but you are **not** officially registered as a business.

Limited Liability Corporation

You make income from your blog and you **are** officially registered as a business.

How much income do you make in a tax year from being self-employed?

Less than \$0

You're just a hobby

More than \$0

You're a business.

So what is taxable income?

Any money that you get paid.

Gifts

Advertising in kind: product or service

Deductions

Business Percentage Deductions

Home office
Cell phone
Internet
Vehicle
Utilities

Business Need Deductions

Website
Expenses
Advertising
Costs
Supplies
Equipment
and more

Equipment

Computers, monitors
Cameras, memory cards
Printers, fax, scanners
Phones, tablets
Machines, vehicles
Desk, chair

Supplies

Printer paper
Pens, pencils, ink
Notebooks, logbooks
Postage, boxes, tape
CDs/DVDs

Certain deductions cannot be claimed 100% and require additional tax forms, like Form 8829.

Remember: if you claim losses 2 years in a row, then you are automatically deemed a hobby and cannot claim deductions.

KEY CONCEPTS

You do not need to be a registered business to pay taxes.

Taxable income:

anything of value that is given to you or earned by you, including money, property, or services.

Two common price points for when to file taxes

1. **Income > \$400** in a single tax year from self-employment

2. **Income > \$600** in a single tax year from your business or hobby Sweepstake: giveaway in which an entrant is selected completely at random.

Contest: giveaway in which an entrant has to submit something of merit in order to be considered.

Lottery: giveaway in which an entrant submits something of value in order to be considered. (Remember, time is valuable).

Advertising in kind: gifts given from a blog, business, or brand to a person with the expectation that the person would do something in return.

Bookkeeping

- Organize receipts and proof-of-business costs by month but also by category.
- Keep logbooks of anything for which you plan on claiming deductions, eg your vehicle, mileage, and car maintenance costs should have a thorough logbook.
- Use apps, programs, and tools to help you (if you pay for them, that is a deduction!).
 - Frequently audit yourself.



These are the core forms, but there are more tax forms to fill out based on the deductions you will be making.

Do you offer giveaways?

File a Form 1099-MISC if giveaway prizes are valued at over \$600.

Sweepstakes and contents are your best bet to stick with (and what most blogging giveaways fall under anyways). Lotteries are highly regulated, so remember to stick with sweepstakes and contents when hosting giveaways and make sure to be aware of the legal aspects.

Due Dates

Tax returns: April 15

For the Form 1099-MISC

The contractor should receive their copy by January 31, and the IRS should receive their copy from the client (or contractee) by February 28.

Should you pay taxes quarterly?

Most likely, yes.

Q1: April 15

Q2: June 15

Q3: October 15

Q4: January 15

If you estimate that you would pay over \$1,000 in taxes at the end of the tax year, then you should pay quarterly.

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For more information: Read more from "Your Guide to Filing Taxes as a Small Business or Blogger" or consult a tax professional such as a bookkeeper or Certified Public Accountant.