

Married couples owning businesses together can save taxes

Please feel free to contact us and we can consult on any potential decisions you are contemplating prior to year-end which would have an effect on your 2009 (and possibly future) tax liability.

As some of the biggest companies in our nation cut back on staff, employees think of leaving and starting up their own small businesses. Many of these new businesses are inspirations of married couples excited to start their own financial future in an LLC. LLCs could be the best choice of entities; it is less complex than a corporation and possibly protects personal family assets from business liability claims.

Here are a couple of excellent tax ideas for the hard working married couple owning an LLC:

- A married couple can simplify tax filings for the business. An election is allowed for all business income to be reported on the couple's individual income tax return. This election alleviates the need for additional complex business tax returns.
- A couple can elect to file the business income on a partnership income tax return, however, that requires a separate tax return. The election described above simplifies tax filing. For credit reasons, the business might want to file on its own tax return. NH requires a separate tax filing for the business.
- Business expenses can include home office deductions and business travel. More exciting is that each spouse can deduct their own automobile, cell phones, and computers!



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