
Tax filing reminders

April 17 -

- Individual income tax returns for 2017 are due.
- 2017 calendar-year C corporation income tax returns are due.
- 2017 annual gift tax returns are due.
- Deadline for making 2017 IRA contributions
- First installment of 2018 individual estimated tax is due.

When an extension makes sense

While most people should file a tax return by April 17, you have the option of delaying your filing date until Oct. 15 with a tax extension.

When to file an extension

- **Missing or incorrect information.** If one of the forms you need to file your return has an error on it, it is often better to receive a corrected form before filing.
- **Recharacterizing Roth IRA rollover amounts.** If you've rolled funds from a traditional IRA into a Roth IRA, you may want to reverse it later if the investments lose value. This so-called recharacterization process can be done up to the extended tax-filing date of Oct. 15, and in many cases it makes sense to wait until then. Note that 2017 is the last tax year you can use the recharacterization process, which was eliminated for future years by the Tax Cuts and Jobs Act.
- **For self-employed retirement donations.** The self-employed can use an extension to buy time to fund an SEP IRA. This extended time frame does not apply to traditional IRAs and Roth IRAs.
- **Avoid late filing penalty.** If you fail to file a tax return, two tax penalties come into play: a late filing penalty and a late payment penalty. By filing an extension, you can push out the potential late-filing penalty for another six months even if you cannot yet pay the tax.

Stay prepared to sell your business

If you enjoy running your own business, selling it may be the furthest thing from your mind. But the reality is that eventually an opportunity to sell will come, whether due to your own life changes or a perfect buyer walking in the door. Planning, often years in advance of the sale date, is necessary to get the most value for the love, sweat and tears you've invested. Here are some tips to stay prepared:

- **Assemble a great team.** Selling a business is a complex process, especially as you grow larger. You're likely to need three kinds of professionals to help: an accountant, to help review and produce clean and easy-to-understand financial statements; a lawyer, to create the necessary legal documents and help you negotiate terms; and a trusted business broker, to evaluate the worth of your business and find buyers.
- **Develop your exit strategy.** With the help of your advisory team, create a clear picture of what selling your business might look like. Outline the risks and opportunities that could affect the valuation of your business. Planning out an ideal scenario as well as a plan B will help you avoid getting backed into a corner and selling at a discount.
- **Clean up your financials.** As you get closer to selling, go over your business financial statements as well as your tax returns from the last three years. A broker will like to present a clear and compelling financial picture to a client, and that will include a year-to-date financial report.
- **Have a plan to improve sales.** The worst time to sell is when sales are declining, even if it's just a temporary or seasonal dip. Part of your planning should include some tactics to boost your sales and cash flow, such as increasing marketing and promotion, liquidating bloated inventories or collecting on accounts receivables.
- **Be prepared to evaluate buyers.** Be prepared to take a calm approach to any offers you get. You don't want to jump at the first offer, and many offers that seem too good to be true often are. Lack of solid financing is often an issue, so work with your business broker to find buyers who have been prequalified by a lender.
- **Have your after-sale plan down.** Often a buyer will want to include a clause that the previous owner stay on awhile as an advisor. Make sure that the advisory period lined out in the contract isn't longer than is comfortable for you. Finally, work with your accountant on a tax-efficient plan for the proceeds of your sale.

Thank you for selecting our firm for your tax and accounting needs. We appreciate the confidence you have shown in us, and we remain ready to assist you at any time. Also, thank you for recommending us to your family, friends, and associates. We appreciate your referrals.

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