Date			Completed
Payroll Date Sept 26 - 28 29 - 30 Oct 1 - 2 3 - 5 6 - 9 10 - 12 13 - 16 17 - 19 20 - 23 24 - 26 27 - 30 31 - Nov 2	Deposit Date Oct 3 5 5 11 12 17 19 24 26 31 Nov 2 7	Semi-Weekly Payroll Tax Deposits. Employers that are semi-weekly depositors generally must deposit taxes withheld and FICA taxes on payrolls paid on Wednesday, Thursday or Friday on or before the following Wednesday, and deposit taxes from payments on other days on or before the following Friday. Deposit electronically. Indicate Form 941, Federal Tax Deposit, and fourth quarter (third quarter for September payroll deposits due in October).	
1	Michigan Annual Report for Non-Profit Corporations.		
5 - 6	Pumpkin Fest, Zeeland, MI.		
8	Columbus Day Observance.		
12	Michigan sales and use tax deposit for month and quarter ended September 30 to claim early payment discount.		
15	Employers that are monthly depositors must deposit taxes withheld and FICA taxes on payrolls paid during September. Deposit electronically. Indicate Form 941, Federal Tax Deposit, and third quarter.		
15	Corporations with fiscal year ending October 31, January 31, April 30, or June 30: ▪ Deposit estimated federal income tax electronically. Indicate Form 1120 and Federal Tax Deposit.		
15	Corporations with fiscal year ending December 31, March 31, June 30, or September 30: ▪ Pay CIT estimate to State of Michigan.		
16	National Bosses Day.		
22	Michigan Sales, Use and Withholding Taxes Return for the quarter and month ended September 30.		
25	State Employer's Quarterly Wage/Tax Report (Form UA-1028). Pay to State of Michigan – Unemployment Agency.		
31	All Hallow's Eve.		
31	Quarterly payroll reports and deposits: ▪ Form 941 – Employer's Quarterly Federal Tax Return – deposit balance due electronically. Indicate Form 941, Balance Due on Return, and third quarter. ▪ Federal Unemployment Compensation tax deposit for third quarter if the cumulative undeposited tax liability exceeds $ 500 – deposit electronically. Indicate Form 940 and third quarter.		
31	Corporations with fiscal year ending June 30: ▪ File CIT return and pay balance due to State of Michigan.		

SEPTEMBER

SU	M	T	W	TH	F	SA
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

OCTOBER

SU	**M**	**T**	**W**	**TH**	**F**	**SA**
	1	**2**	**3**	**4**	**5**	**6**
7	**8**	**9**	**10**	**11**	**12**	**13**
14	**15**	**16**	**17**	**18**	**19**	**20**
21	**22**	**23**	**24**	**25**	**26**	**27**
28	**29**	**30**	**31**			

NOVEMBER

SU	M	T	W	TH	F	SA
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

OCTOBER 2018

SMALL BUSINESS ACCOUNTING METHOD CHANGES

The cash method of accounting, which allows you to recognize sales when cash is received, is attractive to many small businesses due to its simplicity. For tax years beginning after 2017, the ability to use the cash method is greatly expanded thanks to the Tax Cuts and Jobs Act (TCJA). Any entity (other than a tax shelter) with three-year average annual gross receipts of $ 25 million or less can use the cash method regardless of whether the purchase, production, or sale of merchandise is an income-producing factor. Likewise, C corporations and partnerships with C corporation partners can use the cash method if they meet the $ 25 million gross receipts test.

The $ 25 million gross receipts test also is tied to other beneficial provisions for small businesses. These include the following:

- The so-called UNICAP rules require you to include in inventory certain direct and indirect costs allocable to real or personal property acquired for resale. However, under the TCJA, any producer or reseller (other than a tax shelter) that meets the $ 25 million gross receipts test is exempt from these rules.
- For tax years beginning after 2017, taxpayers (other than tax shelters) with average annual gross receipts of $ 25 million or less aren't required to maintain inventories. If you meet this exception, you can generally deduct the cost of materials and supplies when consumed or, if later, when you pay for the items. Or, you can account for inventory using a method that conforms to your books and records.
- For contracts entered into after 12/31/17, in tax years ending after that date, you don't have to use the percentage-of-completion method to account for certain small construction contracts if you meet the $ 25 million gross receipts test. For this to apply, the contract must be estimated to be completed within two years.

Now that the rules have changed, your business may be eligible to adopt the cash method of accounting and/or other small business accounting methods. Since the $ 25 million gross receipts test is made on a year-by-year basis, we can monitor whether your average annual gross receipts fall below the threshold. If they do, we can discuss the pros and cons of changing your accounting method. Assuming a change would be beneficial, we can file the appropriate paperwork with the IRS to change your method of accounting. Please contact us if you have any questions or want more information on these beneficial provisions.

WATCH OUT FOR NEW ALIMONY RULES

Under the TCJA, certain future alimony payments will no longer be deductible by the payer. Also, alimony will no longer be considered income to the recipient. Therefore, for divorces and legal separations that are executed (that come into legal existence due to a court order) *after* 2018, the alimony-paying spouse won't be able to deduct the payments, and the alimony-receiving spouse doesn't include them in gross income or pay federal income tax on them.

It's important to emphasize that pre-TCJA rules apply to already-existing divorces and separations, as well as divorces and separations that are executed before 2019. However, under a special rule, if taxpayers have an existing (pre-2019) divorce or separation decree, and they have that agreement legally modified, then the new rules don't apply to that modified decree unless the modification expressly provides that the TCJA rules are to apply. There may be situations where applying the TCJA rules voluntarily is beneficial for the taxpayers, such as a change in the income levels of the alimony payer or the alimony recipient. If you're considering a divorce or separation (or modification of an existing divorce decree), please let us know so we can determine the tax consequences.