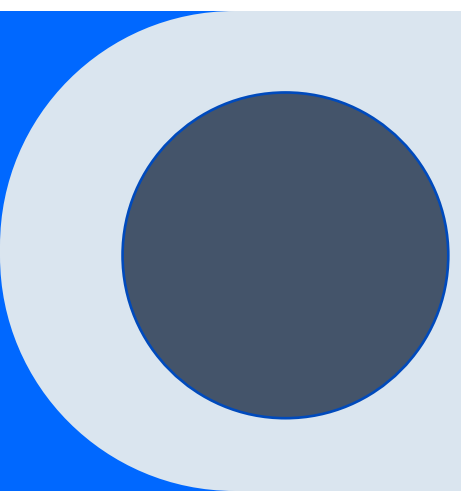




# Beyond the Deadline:

Tax Planning for a Profitable 2025



Presented by:

Greg Antipoff, CPA



# Is this you?

- “I owed a big tax bill this year”
- “I feel like I’m always behind or scrambling at tax time”
- “I’m not sure what I can (or can’t) deduct”
- “My tax return is on extension”
- “I’m on a payment plan with the IRS”

# Today's Agenda

1. Automate Accounting
2. Commonly Missed/Misunderstood Deductions
3. Tax Strategies
4. Your Questions

# Greg Antipoff, CPA

## *The Real Estate Accountant*

- Waterford, Connecticut
- Originally RE Licensed in 2008
- Financial Education for Agents
- The Financial EKG: Earn Keep Grow



# Disclaimer

I am a CPA (Certified Public Accountant), but I am not your CPA.

Consult with your own accounting, tax, legal and financial advisors before engaging in any transaction.

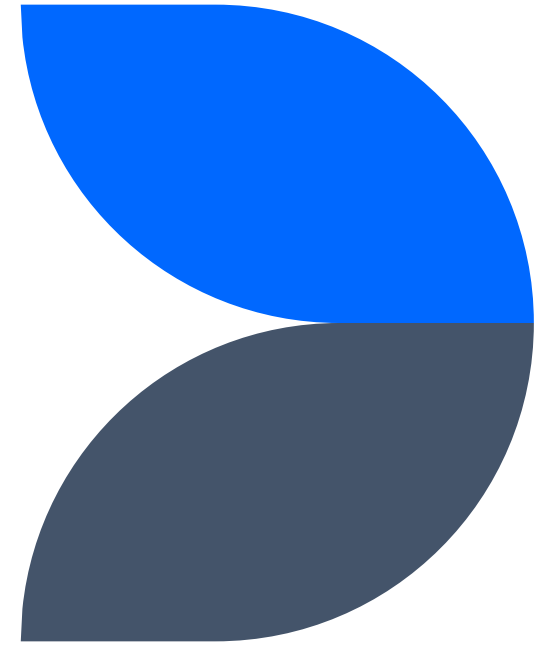
All investments involve risk.

“Change Your **FACTS...**

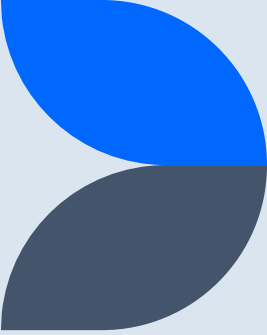
Change Your **TAX!**”

*Gregory Antipoff, CPA*

# Accounting Automation



# Bank Accounts



4

Personal  
Checking

3

Business  
Checking

2

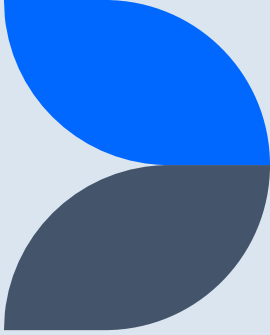
Tax  
Savings

1

Investment  
Savings



# 4-3-2-1 Method



40%

Personal  
Checking

30%

Business  
Checking

20%

Tax  
Savings

10%

Investment  
Savings

# Option 1:

*The Free Way*

## Highlighter Method



# Option 2:

*The Hassle-Free Way*

## Use Technology

1. Choose a software with **Bank Connections**
2. Connect software to your bank
3. Setup “Rules”
4. Monitor the “Rules”





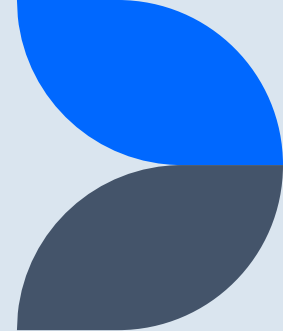
# Option 3:

*The Ultimate Hassle-Free Way*

## Hire a Bookkeeper



# Value of a Missed Deduction



	\$50,000	\$125,000	\$250,000
Federal Tax	12%	22%	24%
State Tax	5%	5%	5%
Self-Employment Tax	15.3%	15.3%	15.3%
<b>Total Tax Rate</b>	<b>32.3%</b>	<b>42.3%</b>	<b>44.3%</b>
<b>Missed \$100/month</b>	<b>\$388</b>	<b>\$508</b>	<b>\$532</b>

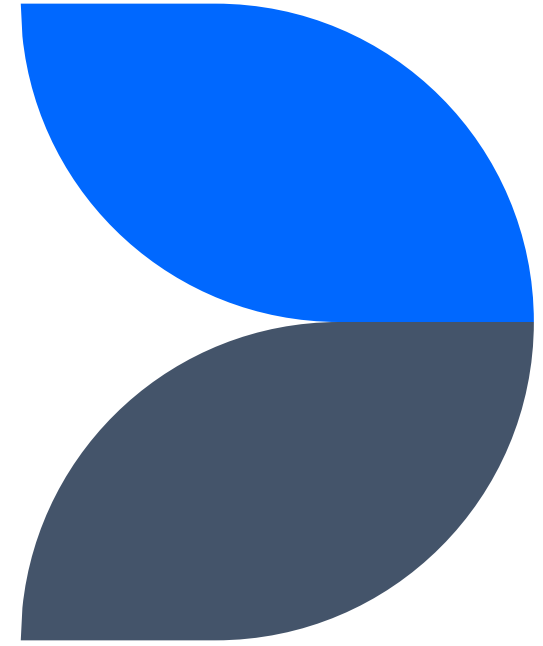
*Rates are for married individuals filing joint returns*

# Estimated Tax – When to Pay

- 4 “Quarterly” Estimated Tax payments required throughout the year:
  - **April 15, 2025**
  - **June 16, 2025** (typically June 15<sup>th</sup>)
  - **September 15, 2025**
  - **January 15, 2026**



# Missed/Misunderstood Tax Deductions



# Meals & ~~Entertainment~~

## Types of Meals:

- Client/Vendor Meals: 50%
- Employee Meals: 50%
- Travel Meals: 50%
- Open House: 100%

Meals were 100% Deductible for 2021 & 2022





# Home Office Deduction

## The Rules:

- You can deduct a home office even if you are renting another office or paying desk fees.
- You use it “exclusively and regularly” for administrative or management activities of your trade or business:
  - Keeping books and records
  - Setting up appointments
- No personal use allowed

## What to Deduct:

### 1. Simplified Method:

- \$5 per square foot
- Up to 300 square feet (\$1,500.00)

### 2. Actual Expense Method:

- **Depreciation**, Mortgage Interest or **Rent**
- RE Taxes, Insurance, Utilities, Repairs & Maintenance
- Indirect Expenses – Based on % of home use
- Direct Expenses – Deductible in full

# Vehicle Expenses - Methods

## Standard Mileage Rate

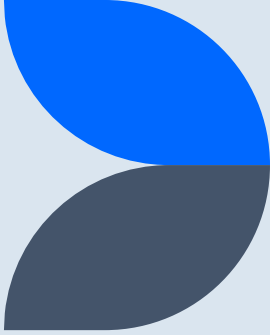
- Types of mileage:
  - Business – 70 cents per mile
  - Commuting – 0
  - Personal – 0
  - Medical – 21 cents per mile
  - Charity – 14 cents per mile
- You may also deduct:
  - Parking & Tolls
  - Loan Interest
  - Property Taxes

## Actual Vehicle Expenses

- Types of expense you can deduct:
  - Depreciation
  - Loan Interest
  - Property Taxes
  - Gas/Fuel/Charging
  - Oil Changes, Maintenance & Repairs
  - Insurance
  - Registration Fees
  - Lease payments
- Deductible based on % of business use

**Must keep a mileage log**  
**Sorry...no deduction for traffic violations**

# Vehicle Expenses - Mileage Rates

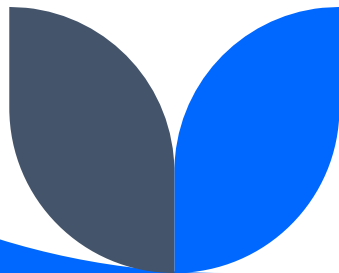


Purpose	2024	2025
Business	67	<b>70</b>
Medical/Moving	21	<b>21</b>
Charitable	14	<b>14</b>
Commuting	0	0
Personal	0	0

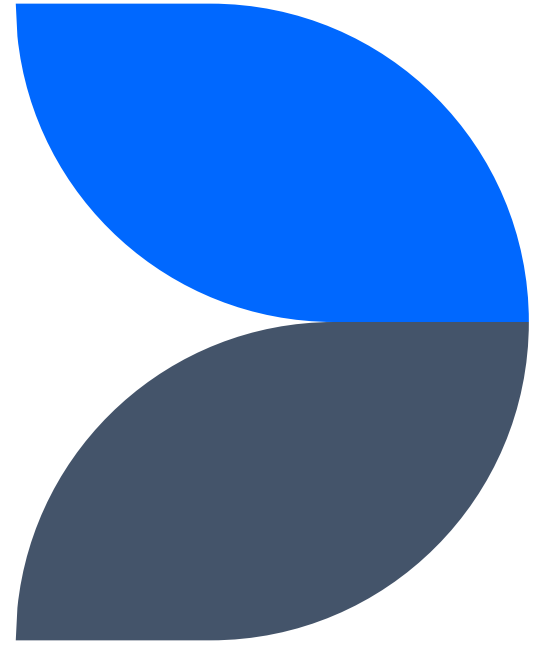
*Rates are in cents per mile driven*

# Commonly Missed Deductions

- Cell Phone Bill (% business use)
- Home Internet Bill (% business use)
- Zelle, Venmo, Cash App & PayPal Transactions
- Health Insurance Premiums
- Charitable Contributions vs Advertising Expenses



# Tax Strategies



# Business vs Personal Expenses

What personal expenses can we leverage to make \$\$\$?

- Think Apple products
  - MacBook
  - iPad
  - iPhone
  - Apple Watch



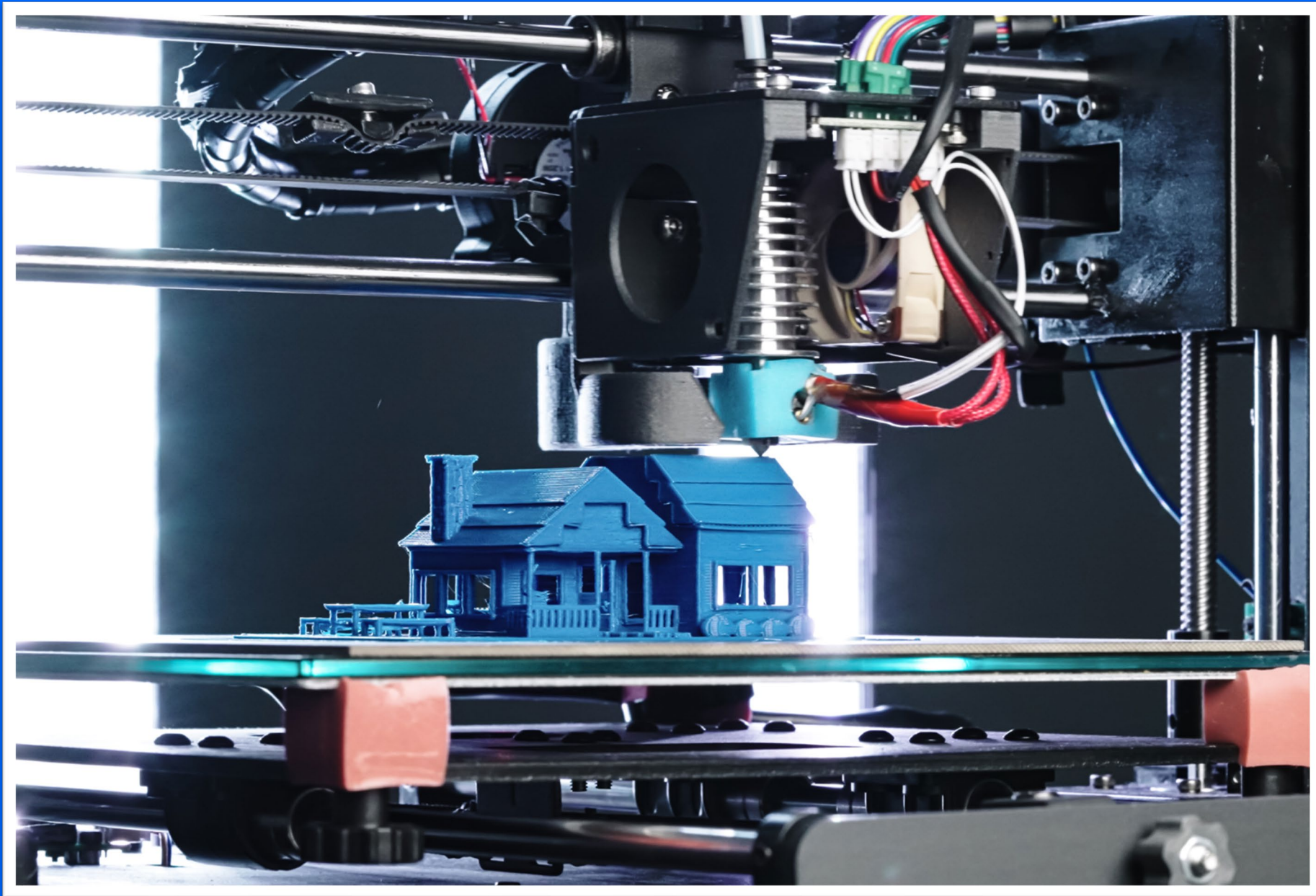
Stop asking:

***“Is this tax deductible?”***

Instead ask:

***“How do I make this tax deductible?”***

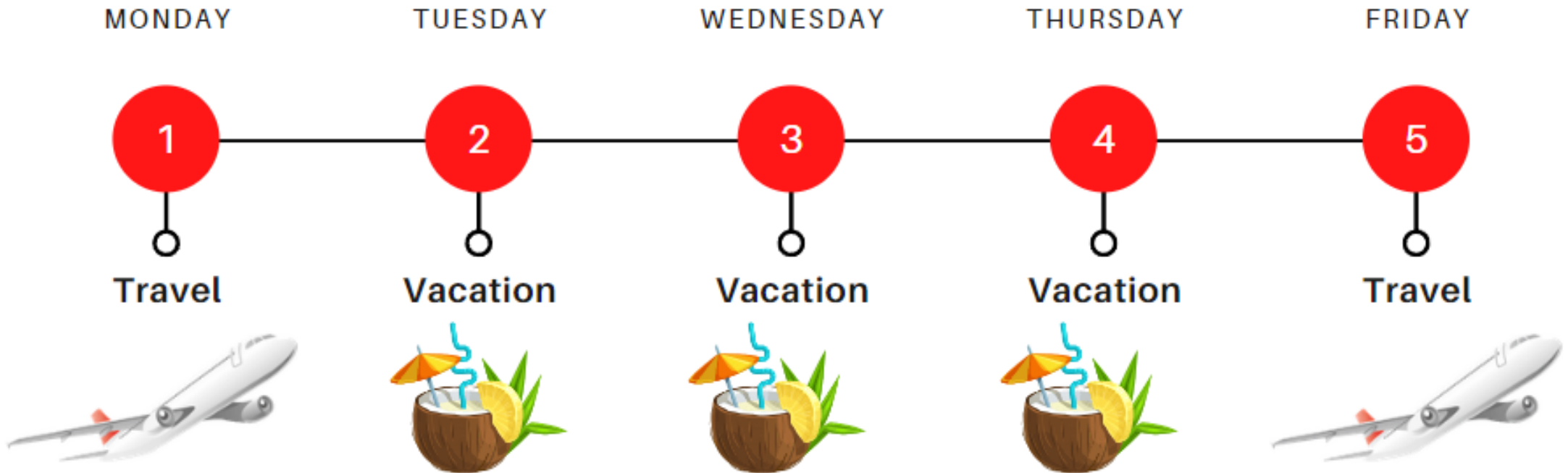
*Gregory Antipoff, CPA*







# The Vacationer's Timeline

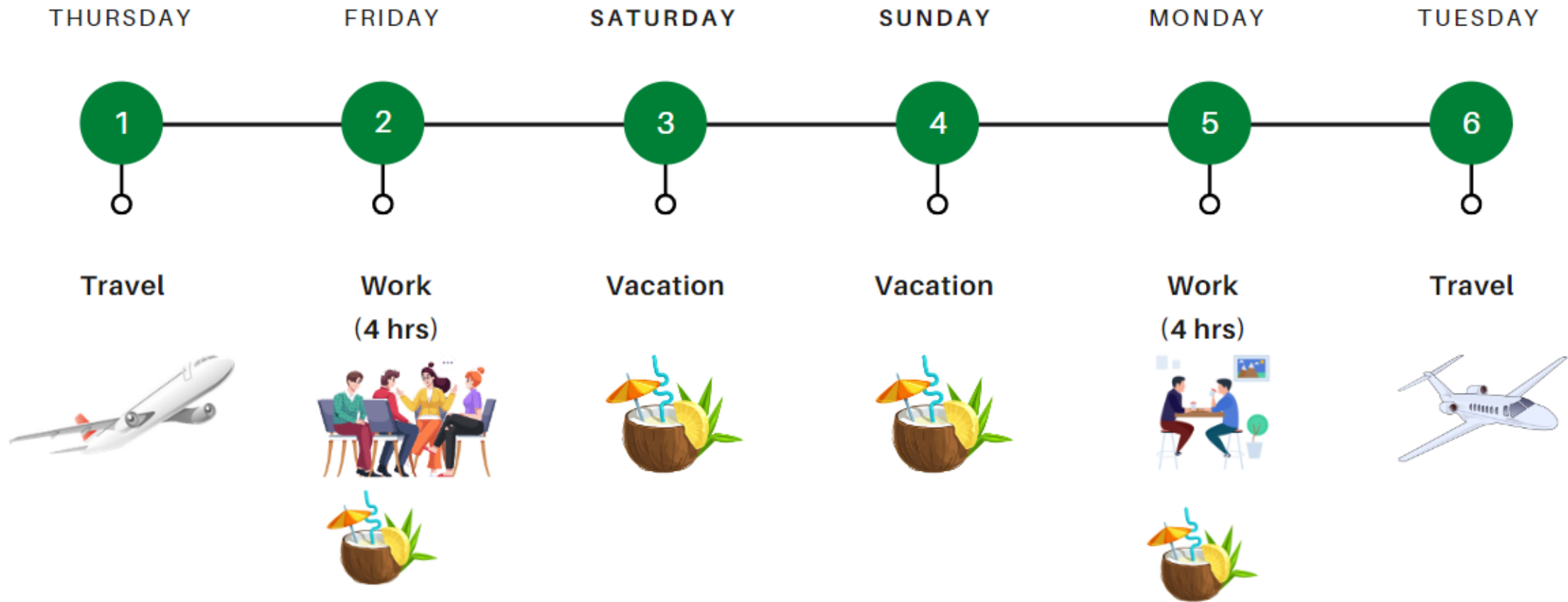




“Change Your **FACTS...**  
Change Your **TAX!**”

*Gregory Antipoff, CPA*

# The Tax Saver's Timeline



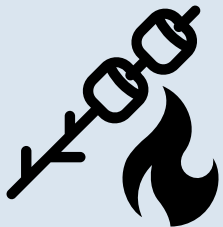
# How do I deduct my kid's:



**Travel**



**Amusement**

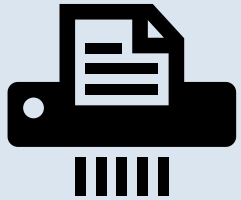


**Summer Camp**



**Sports & Hobbies**

# What are your kids doing?



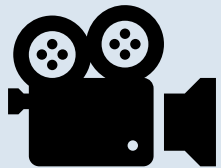
## Office

- Cleaning
- Shredding Papers
- Stuffing Envelopes



## Open House

- Putting Up Signs
- Hanging Balloons
- Serving Food



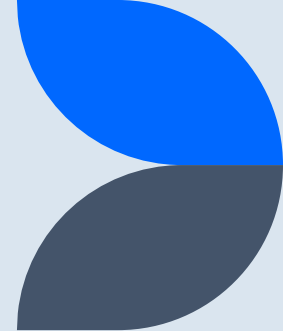
## Social Media

- Website
- Photography
- Videography



## What Else?

# Paying Family Members



<b>\$100,000 Profit</b>	<b>\$0</b>	<b>\$14,600</b>	<b>\$29,200</b>
<b>Federal Tax</b>	\$5,821	\$4,519	\$3,217
<b>State Tax</b>	\$3,821	\$3,211	\$2,330
<b>Self-Employment Tax</b>	\$14,129	\$12,067	\$10,004
<b>Total Tax</b>	<b>23,771</b>	<b>\$19,797</b>	<b>\$15,551</b>
<b>Tax Savings</b>	<b>\$0</b>	<b>\$3,974</b>	<b>\$8,220</b>

*The 2024 Standard Deduction is \$14,600*

*The 2025 Standard Deduction is \$15,000*

# Paying Family Members

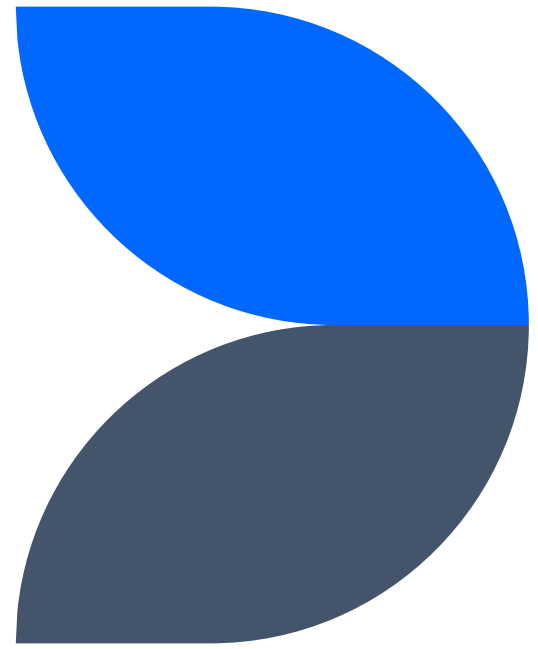
## Considerations:

- They must actually work
- They must be paid for the work
- Their pay must be reasonable the work performed
- Treat them like any other employee
  
- Separate work duties vs family chores
- Entitlements and Financial Aid





**S-Corporations**



# Self-Employment Tax – S/E Tax

- S/E Tax is **Social Security** and **Medicare** taxes
- **Employee** pays 7.65%, **Employer** pays 7.65%
- **Self-Employed** pays both, **15.3%**
- Social Security portion of S/E Tax is 12.4% on earning up to \$176,100
- Medicare portion of S/E Tax is 2.9%, no earnings limit
  - 0.9% additional Medicare tax for income over \$200,000/\$250,000

# Employee Paycheck

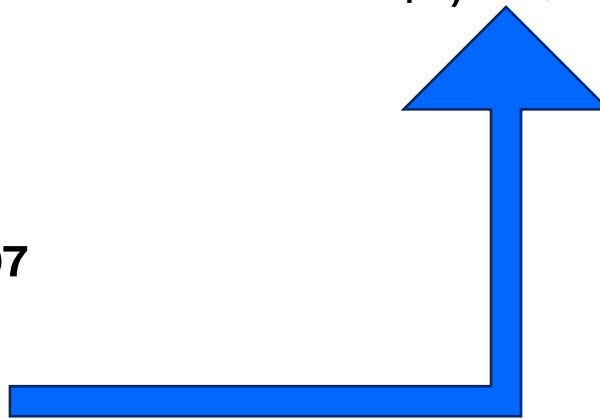
▪ Salary		\$1,000.00
▪ Social Security (6.2%)	\$62.00	
▪ Medicare (1.45%)	\$14.50	
▪ Federal Withholding(?%)	\$125.00	
▪ State Withholding (?%)	<u>\$25.00</u>	<u>-\$226.50</u>
▪ Net Paycheck		<b>\$773.50</b>
▪ Employer SS (6.2%) & Medicare (1.45%)	\$76.50	
▪ Total Employer Cost		<b>\$1,076.50</b>

# Agent Commission Check

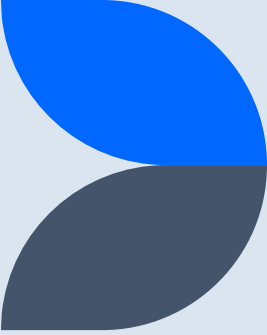
▪ Commission		\$1,000.00
▪ <b>S/E Tax (15.3%)</b>	<b>\$153.00</b>	
▪ Federal Withholding(?)	\$125.00	
▪ State Withholding (?)	\$25.00	<b>-\$303.00</b>
▪ <b>Net Check</b>		<b>\$1,000.00</b>

- \$50K Profit: S/E Tax = **\$7,065**
- \$100K Profit: S/E Tax = **\$14,129**
- \$168K+ Profit: S/E Tax = **\$22,607**

- Make estimated tax payments



# S-Corporation Mechanics



	Sole Proprietor/LLC	S-Corporation
Profit	\$100,000	\$100,000
Salary (Reasonable Compensation)	N/A	<b>\$52,000</b>
Net Profit (Distributions)	\$100,000	\$48,000
Self Employment Tax	<b>\$14,129</b>	N/A
Social Security & Medicare	N/A	<b>\$7,956</b>
<b>Tax Savings</b>	<b>\$0</b>	<b>\$6,173</b>

# S-Corporation Compliance

- ☐ Verify licensing limitations or requirements
- ☐ Check with your broker
- ☐ Form an LLC (or applicable legal entity) with your state
- ☐ Obtain an Employer Identification Number (EIN) from the IRS
- ☐ Open a new bank account in LLC name
- ☐ Obtain applicable real estate license for your LLC
- ☐ Inform your broker of new LLC name and EIN
- ☐ Keep separate books and records
  
- ☐ ***Elect S-Corporation status with the IRS (Form 2553)***
- ☐ Pay yourself “Reasonable Compensation” through a payroll provider
- ☐ Reimburse your self for Home Office and Vehicle expenses
- ☐ File S-Corp tax return – Form 1120-S and generate Schedule K-1
- ☐ File personal tax return – Form 1040



# Action Steps for 2025:

- ✓ Open separate business bank accounts
- ✓ Choose and use a mileage tracking app
- ✓ Review last year's tax with a planner's lens
- ✓ Implement 1 or 2 tax strategies for 2025
- ✓ Meet with your tax planner before in Q4



# Questions?

**Let's Connect:**



**@TheRealEstateAccountant**