

# S-Corp, C-Corp, Partnership Tax Preparation



## Small Business Tax Preparation

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We offer a typical fee range of **\$800 to \$1,200** for your partnership tax returns (Form 1065) and corporate tax returns (Form 1120 and 1120S) including Section 199A calculation and deduction. The range might seem broad, but it depends largely on the quality of your accounting records, how organized you are, the past accuracy of your balance sheet and how much clean up is required.

Small businesses is all we do. Of course we will prepare the owners' individual tax returns as well, but the majority of our consultation and tax preparation work is focused on businesses. We are your small business CPAs! Just like Farmers', we know a thing or two because we've seen a thing or two. Oh, stop rolling your eyes- it's a fun slogan and their jingle is catchy too.

Yes, your fee could exceed \$1,100. Crazy things like partnership accounts, adding or removing owners, capital accounts, asset dispositions, entity shutdowns, odd-looking balance sheet entries, several moving parts, basic disorganization, advanced disorganization, disguised disorganization, misrepresented organization, etc. can all increase your fee. Having said that, we are in the business of developing lasting relationships and not money grabs. By the way, we internally rate your disguised disorganization and offer prizes for cleverness and imagination. All kidding aside, if we run into a buzz-saw we will stop, advise you of the additional work that is needed and provide a fee range that everyone can live with.

## August and November Financial Tune-Ups

For those clients who have a tax-only engagement with us, we offer a lot more than just a tax return. Tax returns are boring. Tax planning including projections and end of year tax moves is way more valuable to you than 100 pages of gobbly-goo in some dust-catching PDF aimed at IRS compliance. Wow, that is a long sentence... anyways, in August we offer a tax planning tune-up and later on in November we offer an end of year tax consultation. These are complimentary consultations. Sure, you're paying for it in some fashion with your tax preparation fees above but then again, this is a valuable service that most tax professionals don't offer. Click the buttons below for more information. Riveting!

[Tax Planning Agenda](#)

[End of Year Tax Moves](#)

## Small Business Tax Preparation

As professionals, our pride and ethics will not let us submit a tax return that is in all intense and purposes one hot mess. More often than we like, we inherit another accountant's previous tax and accounting work, and some basics on S corp taxes or

partnership taxes were overlooked. In these situations, we'll advise you on the best course of action and the risks involved. Most problems involve the balance sheet and specifically equity accounts, which are rarely important until it is time to sell, close your doors and / or get a loan. You run a clean operation, let us make sure your books and tax returns reflect the same pride you have in your business.

## Single Member LLC Taxes

A single-owner (single-member) LLC is considered a disregarded entity, and therefore its income or loss will flow onto the owner's Schedule C within their personal federal tax return. As such, a corporate tax return is not required. The fee for this situation is incorporated in the fee for your personal tax return (typically between \$500 to \$700). However accounting services in conjunction with the tax preparation is available and might be required.

But some states, such as California, Washington, Texas and others might still impose a state tax or a state franchise tax on single-member LLCs even if they are considered disregarded by the IRS and Federal government.

## S Corp Taxes, Partnerships, C Corps

As mentioned, most partnership and corporate tax returns can be prepared between **\$800 and \$1,100**. Having said that, if you maintain your own financial records or accounting books, our past experience has suggested that an extra 3-5 hours will be required to properly prepare your corporate tax return. Specifically most errors center on general balance sheet issues, retained earnings and payroll. And these areas of your corporation's financial records are critical in terms of accuracy.

For our foreign owners of C corporations, additional time is necessary for possible back-up withholdings, [Form 5472](#), [Form 8233](#), W-8 BEN and tax treaties, among other issues that need special handling. In these situations our tax preparation fee will be \$1,500 to \$1,800 for any C corporation owned by foreign investors or owners.

## Tax Return Review



All partnership and corporate tax returns are reviewed with you in-person, over the phone or Skype. While a lot of our interaction might be electronic, we prefer to handle business tax returns more traditionally. In our experience, reviewing a tax return together provides you with some education on how a tax return comes together, allows you to ask valuable questions and ultimately creates a better tax return. After tax return preparation, we will schedule a 30-40 minute meeting with you. Exciting! This truly helps everyone understand each other better, and makes for a better tax return.

## Prior Year Accounting, Tax Prep

If you need prior year accounting plus a corporate tax return, we typically offer a discount for those combined services. Depending on the number of transactions and the overall complexity of the accounting, we offer a fee range of **\$1,600 to \$1,800** which includes both bookkeeping and tax preparation. Additional factors that are considered are number of bank accounts, credit cards, personal versus business use of funds and how quickly we can translate the statements into accounting records.

## Additional Fees

We also have a short list of additional fees that might be incurred depending on your tax situation. Please visit our [Fee Structure](#) page for more information.

In other unicorn-type cases, we have also reduced our tax preparation fee to \$400 to \$600 for extremely simple corporate tax returns or for 'no activity' filings. Please contact us if you think this might be your situation. Yes, we believe in unicorns (above a 9 hot and below 5 crazy)!

## Financial Statements

Many CPAs will prepare a partnership or corporate tax return without a **balance sheet**- for certain situations a balance sheet is not required by the IRS. However, we feel that it is sound tax preparation practice to create this financial document in conjunction with your tax return regardless.

Partnership and S Corporation taxes also must track shareholder basis for future sales or loss deductions. Most tax corporate tax accountants don't spend the time to record this information, and when you go to sell your business, capital gains becomes a big mystery. No shortcuts at the Watson CPA Group!

A small business can have a funny way of becoming bigger, and replicating poor accounting practices as you grow can create a much larger problem later- we prefer to lay the ground work today for an easier growth transition and exit strategy planning. This is to your advantage.

## Value Proposition

The Watson CPA Group are tax and business consultants, not just number crunchers. Anyone can balance a checkbook. Anyone can print a paycheck. Anyone can put the right number in the right blanks. But we take a consultative approach to your corporate and partnership tax preparation. You can always find someone to do it for less- of course. However consider the solid back-end support which you will get with the Watson CPA Group that other tax preparation companies or small business CPAs might not provide. Read more about our [Value Proposition](#) here.

We are your partnership and corporate tax preparation experts!