



# Prepare for a Stress-Free Tax Season as a Freelancer

*Presented by QuickBooks*

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# Meet your QuickBooks ProAdvisor & Financial/Tax Accountant



**Mariette F. Martinez, EA**  
Small Business Advisor &  
Public Educator

## What I Love Doing and Who I Love Doing it For:

- Small Business Advisor at MarietteMartinez.com
- Public Educator at MasterYourBooks.com
- Co-founder, Bilingual Business & Financial Education Platform, TusTresMaestras.com
- Intuit Trainer/Writer & Contributor in the following areas:  
QuickBooks, QBSE, QBOA, ProConnect Tax & Intuit QBO/PTO Blogs
- Content Creator/Educator for Small Business, Self-Employed, Bilingual Accounting/Tax Pros, Small Business Partners & Financially Fit Moms
- Small Business Ambassador at National Latina Business Women-IE
- #Momprenneur of 3 - Anette (14), Miguel (12) & James (3)
- My Why: Impact lives through education & connections





- A friendly conversation with your trusted friend & financial/tax accountant Mariette Martinez, EA

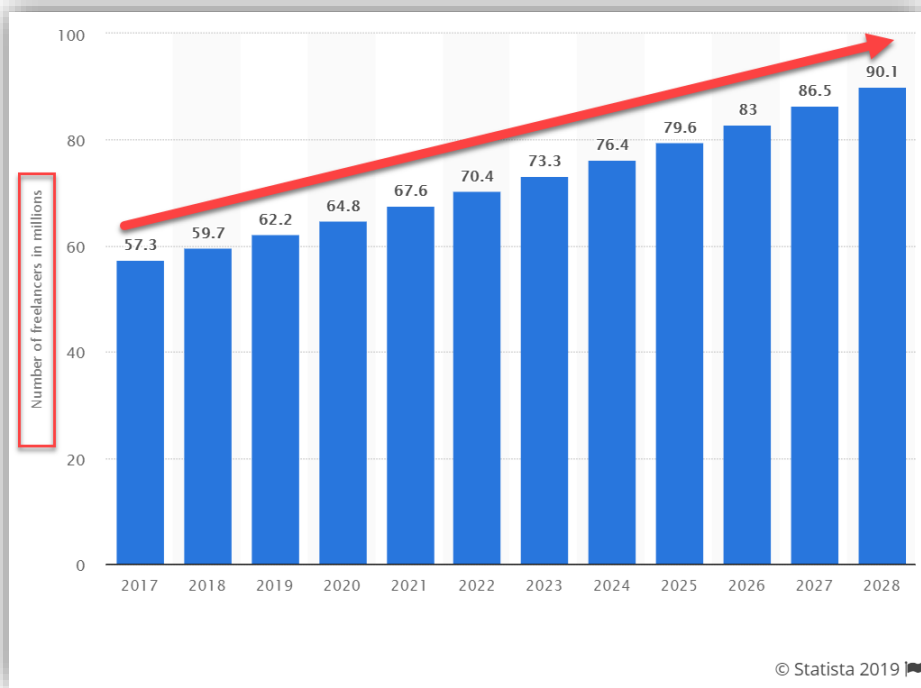
# Agenda

- Freelancer economy
- So you are a freelancer, now what
- How can QuickBooks Self-Employed help
- Freelancer common tax deductions
- Ask a tax expert Q&A



# Freelancer economy

# Today's Fastest Growing and Developing Workforce is the Freelancer Economy



## 57 million Americans freelanced this year



+4 million



\* 35% OF THE U.S. WORKFORCE

# of Americans who freelanced

# Who's Working in the Freelancer Economy



## Commonly referred to as:

- Self-employed
- Independent consultants
- Contingent workers
- Freelancers/Gig economy workers
- Location independent workers
- Solopreneurs
- Non-Employee 1099 contractors

## What do they love doing :

- On-demand & Transportation
- Personal & Professional care
- Professional, Technical & Field Services
- Health, Wellness & Education
- Creatives & Direct Sellers
- Government & Public Sector
- Construction & Manufacturing

# What are the Greatest Needs for Freelancer Economy



## Commonalties in infrastructure:

- Commonly not brick & mortar
- Home based business (SOHO)
- Heavy mobile users
- Primarily Service based
- Receive 1099-Misc and/or 1099K
- Work multiple jobs
- Have multiple sources of income

## Commonalties in needs:

- Need for financial & business education
- Need to easily track income & expenses
- Need to separate personal & business transactions
- Need to track time & mileage
- Need to leverage technology to work smarter
- Need to file/pay quarterly estimated taxes
- Need to file Form 1040, Schedule C/Sole Proprietorship Profit or Loss From Business





- **So you are a freelancer,  
now what?**

## Three Key Questions to Answer for Stress-Free Freelancer Finances:

1. What are you currently doing to manage your finances & tax compliance year-round and prepare for year-end bookkeeping & taxes?
2. Which financial professional do you need and at what stage?
3. What tools & resources are available to help freelancers master their finances so they can work smarter, get paid faster, save taxes and stay organized for tax time?



# Question #1: What to Track , How to Document & Where to Report

## What to Track



- Income (Revenue)
- Expenses
  - Ordinary & necessary expenses
  - Auto mileage & maintenance
  - Payments for labor
  - Small office/home office
  - Cash, bank & credit card
- Assets (inventory & equipment)
- Liabilities (loans, credit cards)
- Equity/Owner transactions
- Permanent Business Docs
- Tax returns and tax forms
- [IRS suggested records](#)

## How to Document



- Export transactions from online bank/credit card accounts(csv) and create Profit/Loss & Balance Sheet
- Automate bookkeeping with bank & credit card transactions download into electronic accounting solution
- Utilize apps to capture receipts through mobile/scanner
- Utilize a secure cloud storage to organize documents
- **How to document by document type**
  - Income documents include: bank deposit with notes, customer invoices, POS reports, Forms 1099s
  - Expense documents include: check register, 3rd party payments, petty cash receipts, bank w/draw with notes
  - Mileage log must include: date, destination, purpose and amount of miles for each business related entry
  - Assets documents include: list of assets that need to be considered for depreciation
  - [IRS suggested record retention](#)

## Where to Report

- Form 1040, Schedule C Profit/Loss + Schedule SE (for Sole Prop)
- Form 1040-ES quarterly estimated federal taxes
- Form 1120S (for S Corp)
- Form 1120 (for C Corp)

Know your [Tax Deadlines!](#)

# Question #2: Which Financial Professional do you need & when

## Bookkeeping Professional

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### Manage & Maintain Records

(weekly/monthly basis)

- Bookkeeping transactions
- Recordkeeping in real-time
- Month-end reconciliations
- Financial statement prep only
- Quarterly compliance
- Professional training
- Year-round collaboration

## Financial Accountant

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### Insights & Decision Making

(monthly/quarterly basis)

- Growth strategies
- Tax planning
- Financial management
- Entity selection
- Corporate reporting
- Corporate compliance
- Compilations/Reviews
- Audited financials (CPAs)

## Tax Practitioner

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### Tax Compliance & Planning

(quarterly/annual basis)

- Sales taxes
- Payroll taxes
- Quarterly estimated taxes
- Annual tax returns
- Tax Planning
- Tax Representation

# Question #3: What tools/resources help master freelancer's finances

Business Literacy **always** comes FIRST!



Leverage technology to work smarter!



Grow with partners & peers

**Education needs to adapt**

89% of freelancers wish education better prepared them for freelance work

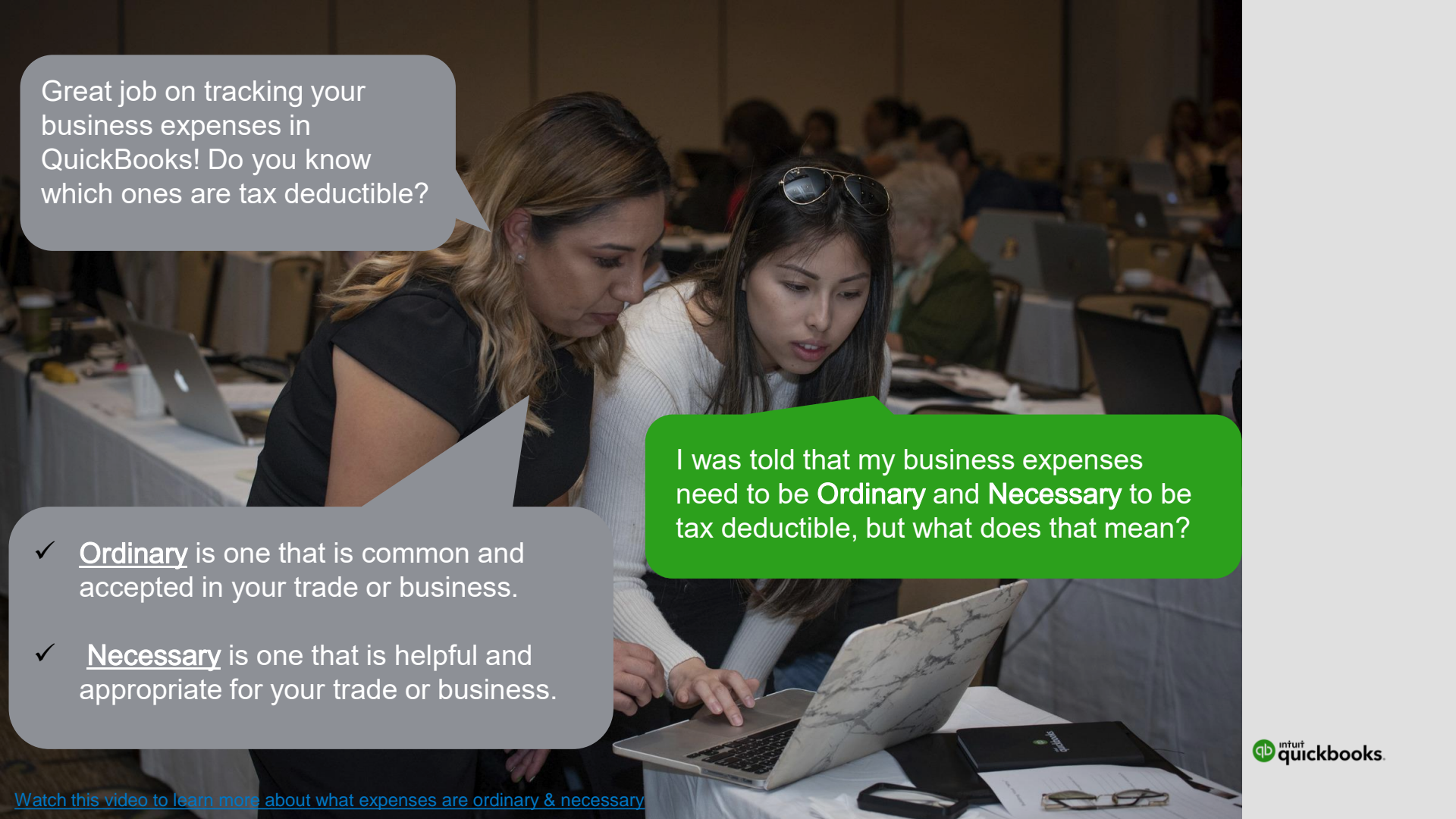
**intuit quickbooks.**

Resource Center





- **Freelancer common  
tax deductions**

A photograph of two women in a classroom or workshop setting. They are both looking intently at a laptop screen. The woman on the left has blonde hair and is wearing a black top. The woman on the right has dark hair, sunglasses on her head, and is wearing a white sweater. In the background, other people are seated at tables with laptops, suggesting a group learning environment.

Great job on tracking your business expenses in QuickBooks! Do you know which ones are tax deductible?

I was told that my business expenses need to be **Ordinary** and **Necessary** to be tax deductible, but what does that mean?


- ✓ **Ordinary** is one that is common and accepted in your trade or business.
- ✓ **Necessary** is one that is helpful and appropriate for your trade or business.

[Watch this video to learn more about what expenses are ordinary & necessary](#)

# Tax Deductions Every Freelancer Should Consider

- **Are you a Road Warrior?**
  - [Actual expense vs. standard mileage](#) – need log for both (58 cents/mile for tax year 2019)
  - Buy or lease business vehicle
- **Where are you Getting Things Done?**
  - Outside office
  - [Home office](#)
  - Co-working space
  - [Maximize legitimate home office from tax experts](#)
- **Are you traveling out of town for business?**
  - Airfare, transportation, lodging, meals ( 50%)
- **Is this your 1<sup>st</sup> year in business?**
  - [Start-up costs \(\\$5000 and/or 180 months\)](#)
  - Business insurance
  - Bank & merchant
  - Education
  - Rent & storage
  - Legal & professional fees
  - Office/Shop setup and supplies
- **Leveraging Technology? Go for it, they are deductible!**
  - Customer Management System (CRM)
  - Tracking your finances(QBO, QBSE)
  - Work smarter with business apps
- **Are you Saving for Retirement?**
  - Traditional IRA vs Roth IRA
  - Solo 401(k)
  - Simple IRA vs SEP IRA
- **What does it take to Close the Deal?**
  - Client Gifts (\$25 or Less)
  - Finder/Referral fees
  - Team effort (hiring talent)
  - [Advertising & promotional swag](#)
  - Fees to freelancer & engagement platforms
  - Virtual assistant and/ outside services
- **Who's helping you grow professionally?**
  - Professional/Association dues
  - Business & technical conferences
  - Business coach & masterminds





- **How can QuickBooks  
Self-Employed help**

## Meet Sofia – Freelance graphic designer

- Received W2 part-time income & 1099 Misc for her client work
- Started receiving freelancer income this year
- Drove for mobile business appointments
- Expense receipts & business paperwork in a shoebox
- Has contracted an assistant to help with bigger jobs
- Tech-savvy & has embraced the idea of working online
- Tracks business profit based on online banking balance
- Uses one personal account to receive all income
- Uses one personal account to pay all expenses
- Enters all expenses into a spreadsheet
- Worried about owing self-employment taxes, first-time filing a Schedule C and not having visibility of her finances



# How can using QuickBooks Self-Employed features help Sofia?



Mobile app – work on the go



Track mileage automatically to calculate auto expense deduction



Track bank & credit card activity in real time and separate personal from business transactions



Project taxable income by quarter and by year



Categorize transactions simply that match Schedule C line items



Calculate estimated taxes



Capture Receipts from mobile device and banish the shoebox and stay compliant for audit proof

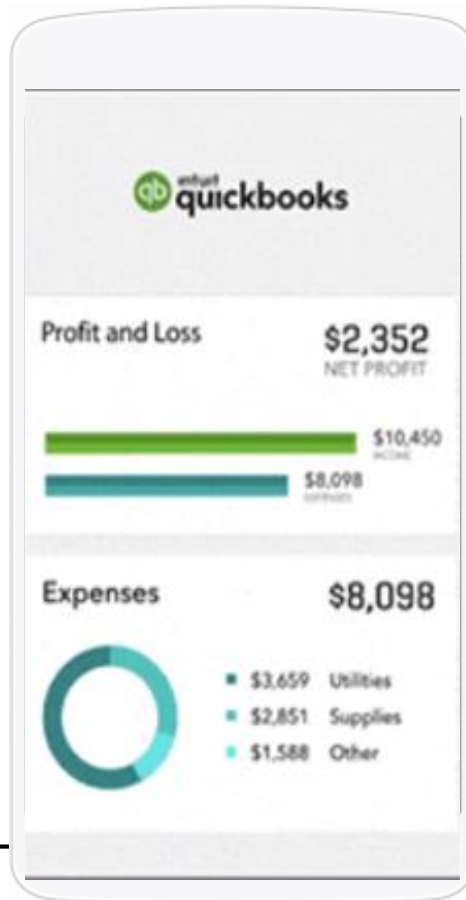


Populate reports to provide to tax professional

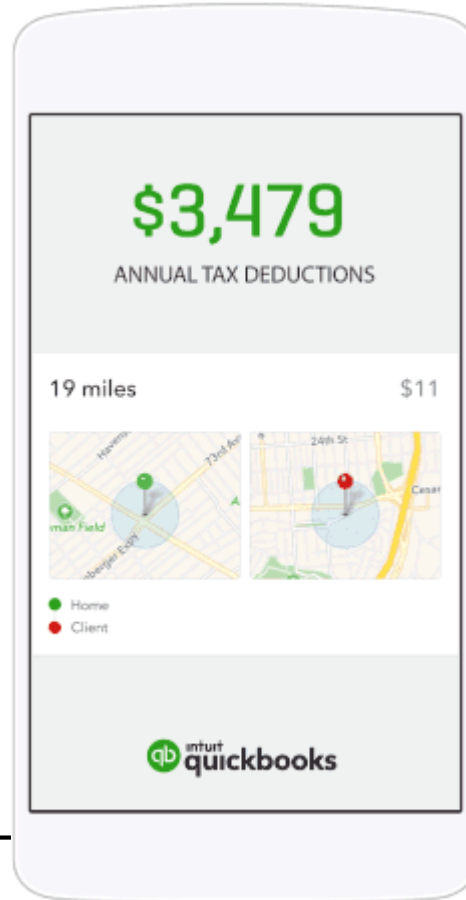


Keep more of what she earned by having financial visibility

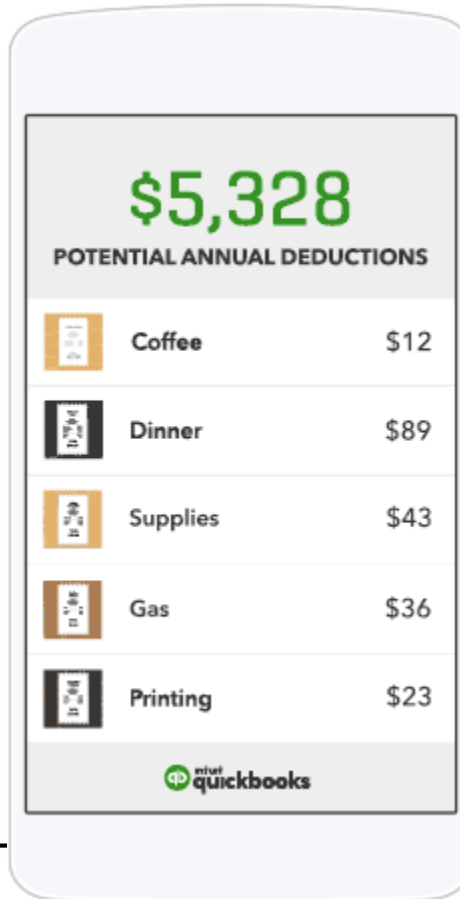
# Instantly track and organize expenses



# Track Mileage Automatically



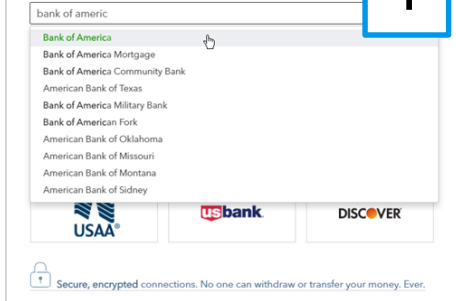
# Organize receipts and save with a snap



# QuickBooks Self-Employed workflow that will prepare Sofia for taxes

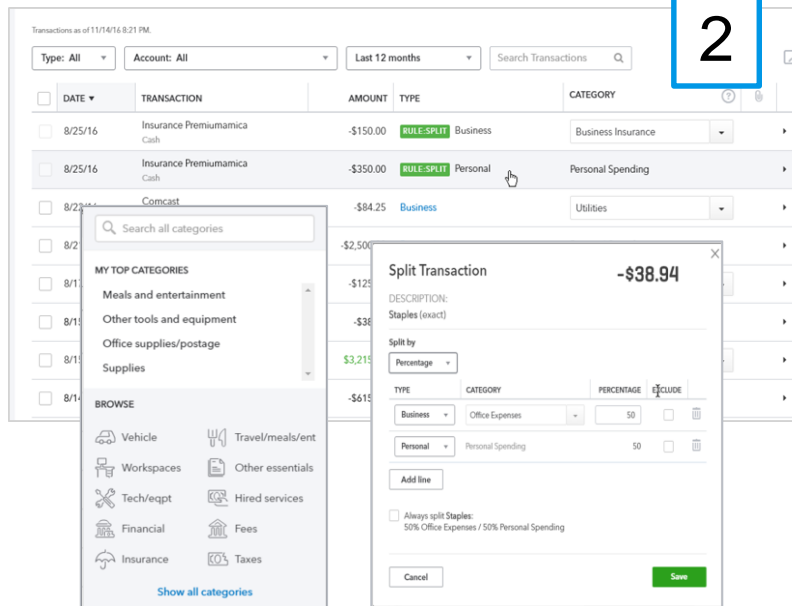
Real-time, automated bank & credit card feeds

1



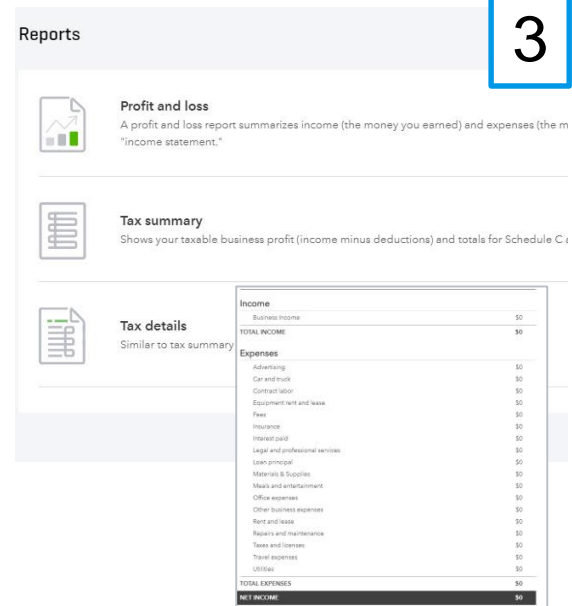
Categorize transactions for accuracy and keep personal expenses separate

2



Prepare for tax time early

3



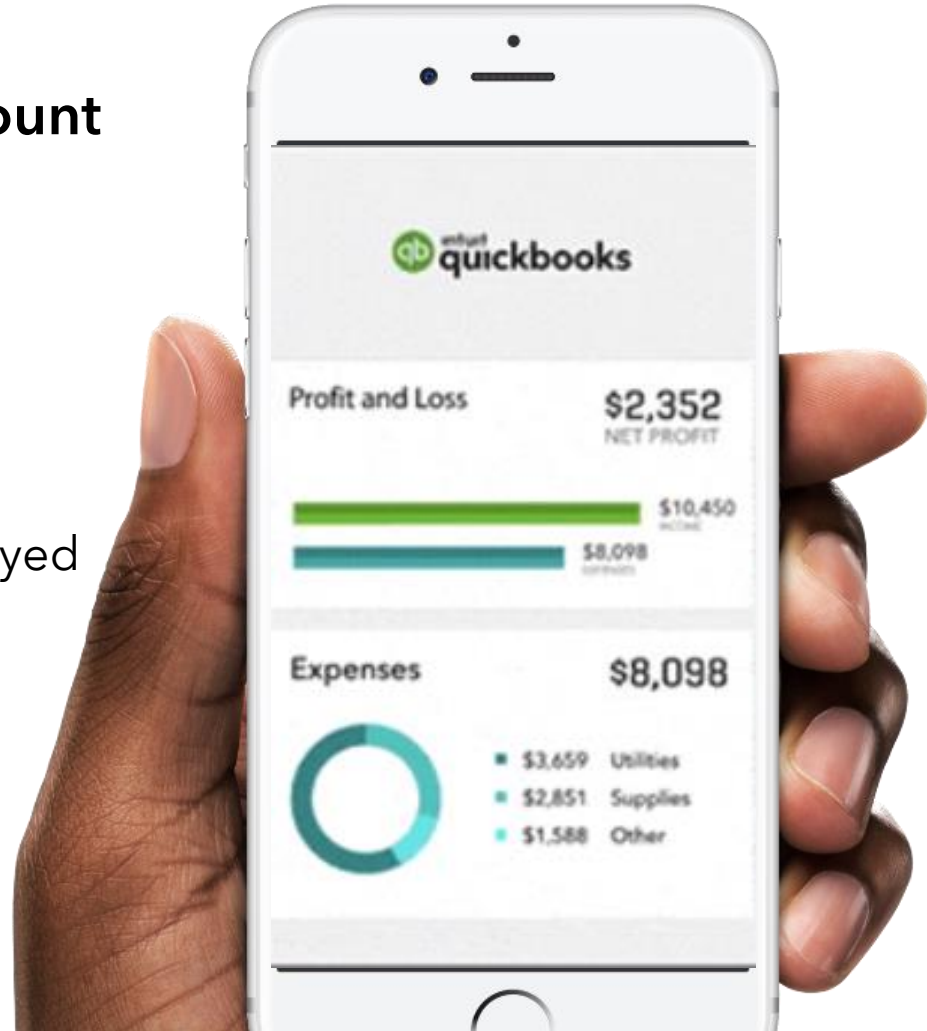
# QuickBooks Self-Employed Discount

## Product Features

- Easily sort and track expense
- Tracks mileage automatically
- Snap photos and store receipts
- Easy quarterly taxes
- Integrates with TurboTax Self-Employed

Special Discount for Upwork users:

[Intuit.me/UpworkWebinar](https://Intuit.me/UpworkWebinar)







Q+A

# Key Takeaways



- Connect with products, partners and peers who are on a mission to equip and empower the freelancer/gig economy
- Learn & Answer the three key questions to master stress-free finances for your freelancer business
  - What, How & Where
  - Which Financial Professional
  - What tools/resources
- Empower yourself with the right technology and accounting solutions that will make you a more organized freelancer who feels less stressed, excited about real-time financial visibility and ready to build the lifestyle friendly business of their dreams!



Thank you!

