



Tax Preparedness Series: Tax Help for Self-Employed and Sharing Economy

As tax filing season approaches, the Internal Revenue Service wants taxpayers who are self-employed or involved in the sharing economy to know about free resources that are available to help them with their taxes.

[Sole proprietors](#) and [independent contractors](#) can get helpful information from the IRS [Small Business and Self-Employed Tax Center](#). This resource includes online tools such as the [Tax Calendar for Businesses and Self-Employed](#), which has key tax dates and necessary actions for each month of the year.

For those who provide services to consumers, such as rides in personal vehicles for a fee or the use of property, such as apartments or homes for rent, the IRS created the [Sharing Economy Resource Center](#). It has tips such as:

- Income is generally taxable, even if the recipient does not receive a Form 1099, W-2 or some other income statement, but some or all business expenses may be deductible.
- There are some simplified options available for deducting many business expenses.
- People involved in the sharing economy often need to make estimated tax payments during the year to cover their tax obligation.
- Alternatively, people involved in the sharing economy who are employees at another job can often avoid needing to make estimated tax payments by having more tax withheld from their paychecks. The [Withholding Calculator](#) on IRS.gov can also be a helpful resource.

The IRS also holds [Small Business Events](#), workshops and seminars, at many locations throughout the country. Topics include paying self-employment and income tax on any net profit, how to make [estimated tax](#) payments on income that is not subject to withholding, which expenses can be deducted as business expenses, and much more. The IRS Video Portal also has [videos and webinars](#) on many tax topics that may be helpful.

Visit the [Small Business and Self-Employed Tax Center](#) on IRS.gov and remember, IRS tax forms are available any time on [IRS.gov/forms](#).

Employers Face New January 31 W-2 Filing Deadline

The IRS is reminding employers and small businesses of a new Jan. 31 filing deadline for Forms W-2. The IRS must also hold some refunds until Feb. 15.

A new federal law, aimed at making it easier for the IRS to detect and prevent refund fraud, will accelerate the W-2 filing deadline for employers to Jan. 31.

The Protecting Americans from Tax Hikes (PATH) Act, enacted last December, includes a new requirement for employers. They are now required to file their copies of [Form W-2](#), submitted to the Social Security Administration, by Jan. 31. The new Jan. 31 filing deadline also applies to certain Forms 1099-MISC reporting non-employee compensation such as payments to independent contractors.

In the past, employers typically had until the end of February, if filing on paper, or the end of March, if filing electronically, to submit their copies of these forms. In addition, there are changes in requesting an extension to file the Form W-2. Only one 30-day extension to file Form W-2 is available and this extension is not automatic. If an extension is necessary, a Form 8809 *Application for Extension of Time to File*

Information Returns must be completed as soon as you know an extension is necessary, but by January 31. Please carefully review the instructions for Form 8809, for more information.

"As tax season approaches, the IRS wants to be sure employers, especially smaller businesses, are aware of these new deadlines," said IRS Commissioner John Koskinen. "We are working with the payroll community and other partners to share this information widely."

The new accelerated deadline will help the IRS improve its efforts to spot errors on returns filed by taxpayers. Having these W-2s and 1099s earlier will make it easier for the IRS to verify the legitimacy of tax returns and properly issue refunds to taxpayers eligible to receive them. In many instances, this will enable the IRS to release tax refunds more quickly than in the past.

The Jan. 31 deadline has long applied to employers furnishing copies of these forms to their employees and that date remains unchanged.

Check out the IRS Tax Calendar for Businesses and Self-Employed

View due dates and actions for each month. You can see all events or filter them by monthly depositor, semiweekly depositor, excise, or general event types. Visit this page on your Smartphone or tablet, so you can view the [Online Calendar](#) on your mobile device.

Desktop Calendar Tool

The IRS CalendarConnector provides access to tax calendar events right from your desktop, even when you're offline. As new events are added, they will be automatically updated via the desktop tool.

A new version of the IRS CalendarConnector is available.

If you have the original version installed, you may wish to uninstall it, as IRS CalendarConnector 2 has a few new features:

1. Employer events are now separated into "Monthly Depositor" and "Semiweekly Depositor" categories. You can use checkboxes to select as many event categories as you would like to display:
 - General
 - Monthly Depositor
 - Semiweekly Depositor
 - Excise
2. When you click the "minimize" button, IRS CalendarConnector 2 positions itself in the Windows System Tray or in the Mac Dock so that it is readily accessible but doesn't consume screen space unless you are reading it.

Install [IRS CalendarConnector 2](#)