



Tips for Success: Taxes and Record Keeping

Create a basic inventory of each room

- Go through each room of your home and give every item a fair market value. Example of items; Living room: couch, love seat, recliner, pictures, clock, TV, TV stand, DVD player, DVDs, decorations, book shelf, books, blankets
- Pictures of your items can also be helpful.
- You will be able to depreciate a percentage of all the items in your home used for child care.

Obtain an EIN number

- <http://www.irs.gov>

Register your Business

- <http://www.nd.gov/businessreg/>
- The name of a business is an important asset since it is the identity of the business and an essential connection to its potential customers.
- A business name is only protected when it is approved and filed with the Secretary of State.
- Not a requirement for licensing

Organize

- Put a box in your kitchen or entry way to remind you to "drop" all your receipts in it.
- Keep all receipts (for mileage log, food expense, shared expense, 100% deductible)
 - Color code the shared expenses and the 100% deductible expenses
- Try to organize receipts by month or category
- Access some file and storage space for record keeping
- Set aside time to work on maintaining business records

Minute Menu Kids Pro Software

- <http://www.minutemenu.com/web/mmkids.html>

The most complete business software management tool designed specifically for family child care providers.

Minute Menu has partnered with the National Association for Family Child Care to bring you the best child care business resources in a convenient, secure, Internet-based format!

Financial Management - Minute Menu Kids Pro enables you to automatically: invoice and receive payments from parents electronically or in person; calculate time-space percentage; organize your business deductions into the proper categories; keep accurate records of meal counts to meet IRS requirements; and to help you maximize potential deductions for bigger tax savings.

"Minute Menu KIDS is the perfect tool to track deductions and keep the necessary records to reduce taxes, whether a provider hires a tax preparer or does her own taxes."

-Tom Copeland, national child care business expert