SAY "I DO" TO TAX SAVINGS

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Meet Jennifer

Jennifer runs a thriving wedding planning business and is AMAZING at pulling off dream events. But when it comes to taxes? She drops the bouquet.

After a chaotic year filled with tax surprises - she decides to learn from her mistakes.

You can, too!

The Ultimate Guide to Crushing Your Taxes

Business owners in the wedding industry are incredibly passionate at what they do. But they don't always give the same care to finances as they do their clients' big day.

Follow along as we walk through the 10 most common tax mistakes wedding pros like Jennifer make – and how to avoid them.

Cut a slice from your tax bill!

#1 Mixing personal & business finances

Jennifer started the year off strong. Only using her business card for business expenses – but by the end of January, she'd paid for groceries out of her business account and covered several vendor invoices with her personal credit card.

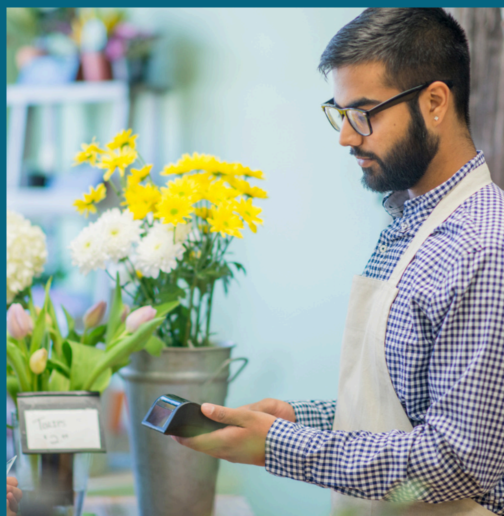
Before she knew it, her bank statements were a jigsaw puzzle of mixed expenses.

The headache

She lost countless hours sifting through an endless slog of account statements, highlighters, receipts and frustration.

And what's worse – she missed half of the legitimate business deductions she worked so hard to find!

WARNING: *Commingling*, or mixing business & personal expenses can cost you more than lost deductions. You can lose your legal protections if the IRS determines your LLC isn't a separate entity.



The fix

Now that she understands the consequences, Jennifer uses a dedicated business account and card for all business expenses.

Her CPA also helped her set up the right balance of payroll and owner's draw to maximize personal income while lowering taxes.

#2 Not tracking mileage or travel

A classic case of, "I'll do it later."

Jennifer drove all over the place. Venue visits, vendor meetings, décor runs, and of course, to weddings.

But she never tracked anything, telling herself she'd write it down when she got home. Except, she never did.

This led to a tax-time guessing game!

The fix

After downloading the MileIQ app, she never worried about tracking mileage again.

It's so easy to use. Maximizing your write-off by logging every single eligible mile.

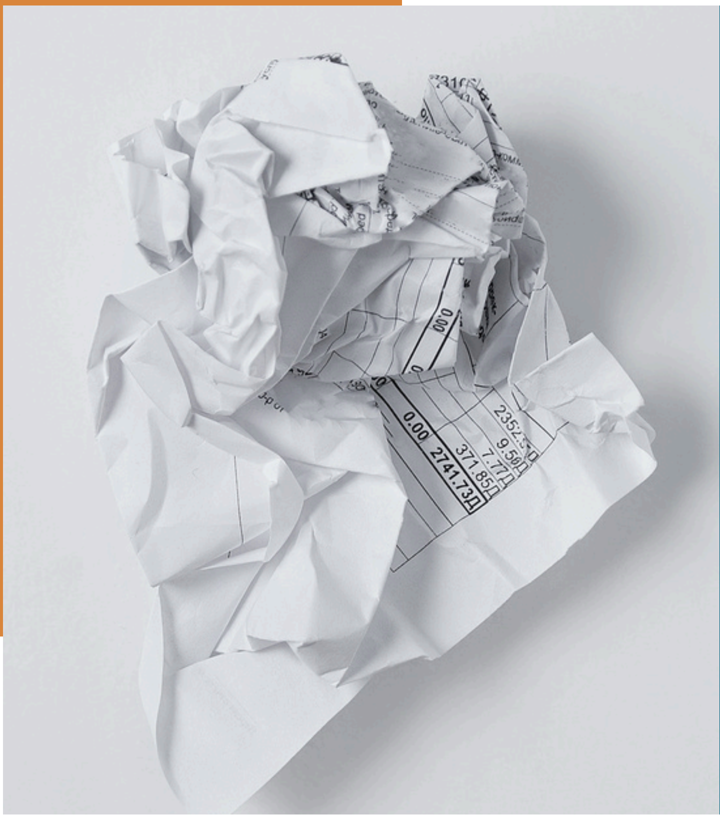
The headache

Without accurate mileage logs, Jennifer lost out on significant deductions.

Sure, she was able to estimate some of her bigger trips using Google Maps but the mistake cost her hundreds of dollars in overpaid taxes.

In 2025, the IRS mileage allowance for small businesses is $0.70 per mile.

This means every mile you track correctly cuts 70 cents off your taxable income, which really adds up over the course of a year.



#3 Not saving receipts

Constantly on the go, Jennifer often crumpled receipts into her purse.

The $50 bridal expo parking? Gone.

The office chair? Forgot to save the confirmation email.

All those 50% write-off eligible business lunches? Paid in cash and lost the receipt.

The headache

Missing documentation meant lost deductions and a nerve-wracking fear of not being able to prove anything if audited.

She even had to call vendors to get copies of major invoices – wasting time and adding stress.

NOTE: Not all lunches and coffees qualify for the 50% deduction. Write a note to clarify **who** the business meeting was with (customer, vendor, partner, advisor) and **what** business topic you discussed.

The fix

Today, Jennifer immediately snaps a photo of every receipt and keeps everything organized on her smartphone.

She's looking into receipt apps but is doing fine with folders in Google Drive.

#4 Waiting until year-end for bookkeeping

Speaking of receipts – as wedding season picked up and Jennifer got busy, she started tossing all her invoices into a drawer. She didn't see any harm in putting off bookkeeping until the fall.

When it came time to reconcile her books, she couldn't remember what charges were for and spent late nights with her nose in the computer while her family enjoyed the holidays.

The headache

Playing catch-up led to missed expenses, stress, and a risk of errors in her financial records.

What should have been a celebration of success ruined her favorite time of year.

Keeping clean books isn't just about avoiding a nightmare end-of-year project. Seeing your financial picture helps you make smarter decisions, spot financial problems before they bite you, price your services right, and better manage your personal income that you pull from the business.

The fix

Jennifer outsourced her bookkeeping and is thrilled to have this tedious task off her plate.

Now she can focus on what she does best – organizing incredible events and helping her clients' dreams come true.

#5 Ignoring quarterly estimated taxes

Jennifer's business was thriving, but she never paid any estimated taxes.

She didn't understand what they were and figured she'd handle it at tax time.

But when she saw her balance due, plus penalties, the joy of her big year went away.

The headache

Skipping quarterly payments left her with a massive lump sum due in April, complete with an IRS penalty.

She hadn't budgeted for it and had to scramble to cover the bill.

Did you know? You may still have to pay penalties and interest to the IRS for underpaid taxes even when you're owed an income tax refund.

The fix

Now that Jennifer partners with a proactive CPA, she knows exactly how much tax to pay each quarter.

Planning the right way for taxes has lowered her stress (and tax bill) and improved her budget and cash flow.

These days, she's smiling as wide as her clients do!

#6 Misclassifying contract workers

In the wedding industry, it's common to hire part-time help, independent contractors, and gig workers. At Jennifer's business, she did this all the time.

What she didn't realize was that two of her "contractors" were legally employees. Fixing the mistake cost her a pretty penny come tax time.

The fix

Jennifer works with her CPA to make sure all her workers are properly classified.

She doesn't fear huge last-minute tax bills and knows how to hire 1099 contractors the right way to avoid misclassification.

The headache

Confusion over worker status isn't just a minor headache that can be fixed by filing different forms at the end of the year.

When you reclassify a **1099 contractor** who should have been a **W-2 employee**, you might be responsible to pay:

- Back payroll taxes
- Penalties & interest
- Back benefits (if they would have qualified)

#7 Dropping the ball on sales tax

Jennifer bundled tangible items into her planning packages, like welcome signs, gift baskets, and albums – without charging sales tax.

A savvy client flagged the issue while reviewing an invoice. That's when Jennifer realized she'd never registered for sales tax or collected it properly.

The fix

Now that Jennifer's business is registered with the state and she knows which invoices to add it to, her customers cover her sales tax bill.

Which is good – because unpaid sales tax is something you can be personally liable for, even if you have an LLC.

The headache

Jennifer had to catch up on back taxes, sort out her registration with the state, and even pay out of pocket for the tax on past sales because she didn't know to collect it from the client.

She may be able to restructure the amounts and amend past tax returns, but that's a pain in the neck and comes with extra costs, too..

Paying sales tax is the responsibility of your customers. Charging for it, collecting it, and transferring the money to the state is yours.

#8 Choosing the wrong business entity

Jennifer started as a sole proprietor and registered an LLC but never changed her tax classification.

As her profits grew, so did her self-employment tax bill.

She could have saved thousands by taking an S-Corp election sooner.

The headache

By not revisiting her entity type, Jennifer paid more taxes than necessary. It was an expensive oversight.

Note: While taking an S-Corp election makes sense for a lot of wedding businesses, it's not always the right choice.

Jennifer's mistake wasn't that she didn't choose an S-Corp. It was that she never took the time to talk about her entity structure with a trusted advisor after her business had grown.

The fix

Jennifer engaged for quarterly business meetings with her CPA to be proactive and take a strategic approach to running her business.

With a professional advisor looking out for her, she won't miss out on easy opportunities ever again.

#9 Procrastinating on tax prep

After her hectic holiday season with the bookkeeping fiasco, Jennifer avoided thinking about taxes until the last minute.

January turned into April before she took action.

She scrambled through reports, receipts, and forms in a two-week panic and make several costly mistakes.

The headache

Instead of feeling in control of her taxes, Jennifer was completely overwhelmed at a time of year when she really needed to stay focused on booking more weddings.

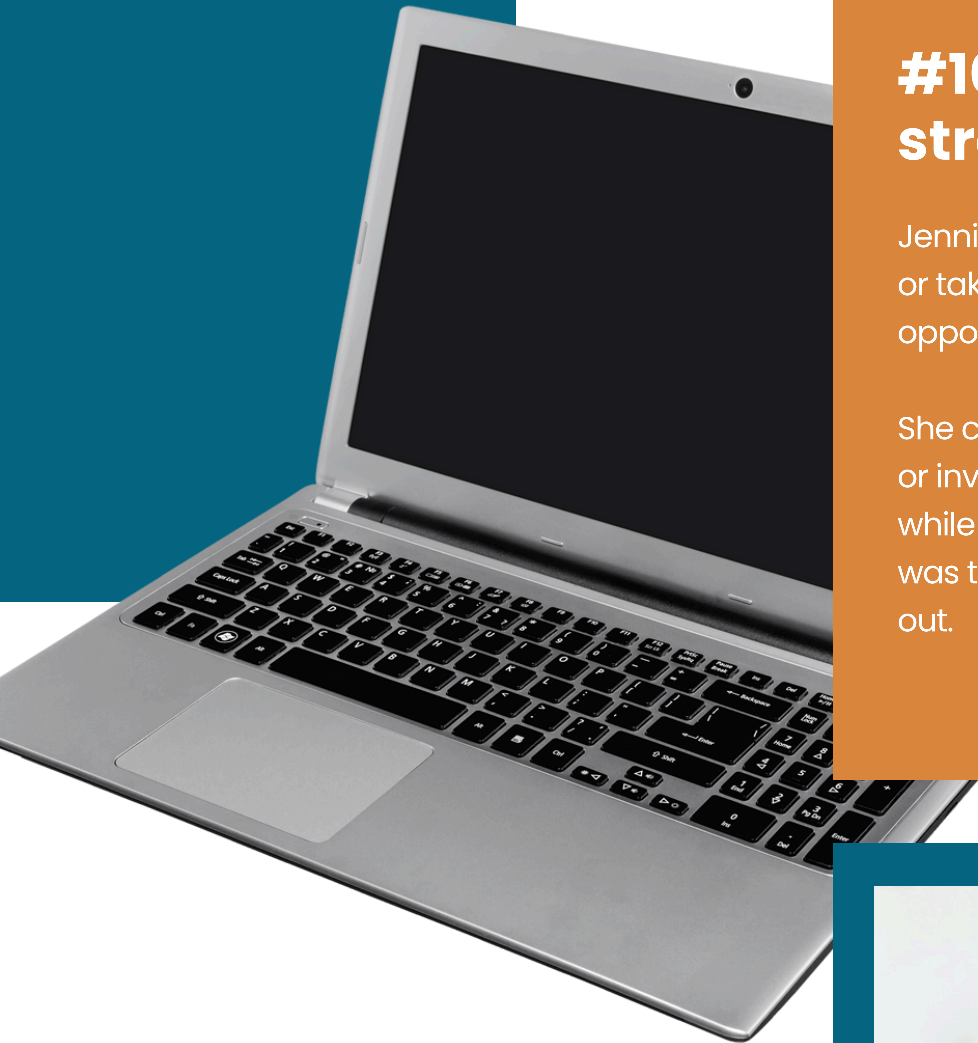
The time she lost figuring out why the IRS rejected her initial return most likely cost her at least one customer, if not more.

The fix

As a business owner, you CAN file your own taxes. There's no law against it.

But Jennifer learned the hard way that it's easier to stay ahead of the game and focus on your business when you seek out professional guidance.

Just because you can file your own taxes, doesn't mean you should. Do you ever wonder **how much DIYing your taxes and accounting is costing you?**



#10 No tax planning strategy

Jennifer didn't plan ahead for taxes or take advantage of any strategic opportunities.

She could have upgraded her laptop or invested in growing her business while saving money on taxes – but it was too late when she found all this out.

The headache

No tax planning meant she consistently paid more than necessary and missed out on deductions that could have helped both her business and her future.

Scheduling a tax planning before the year ends is the only way to make smart business decisions that reduce your tax liability.

Once the tax year is over, it's too late!

The fix

Annual tax planning is now part of Jennifer's yearly routine.

Along with improving business decision making, she also avoids tax surprises and can better align her tax strategy with short- and long-term personal goals.

Mistake #11

Not partnering with Accountability Services

The headaches

- You're confused about how much money your business really makes
- You're worried about doing taxes the right way to stay out of trouble
- You don't know if you're paying too much in taxes
- Your business is successful but it feels like there's never enough money left over for you
- Your finances are disorganized and you don't know where to start
- You're tired of financial advisors who don't understand your business and talk down to you
- You just want to focus on **doing what you love** and **growing your business**, but finances keep getting in the way

The fix

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