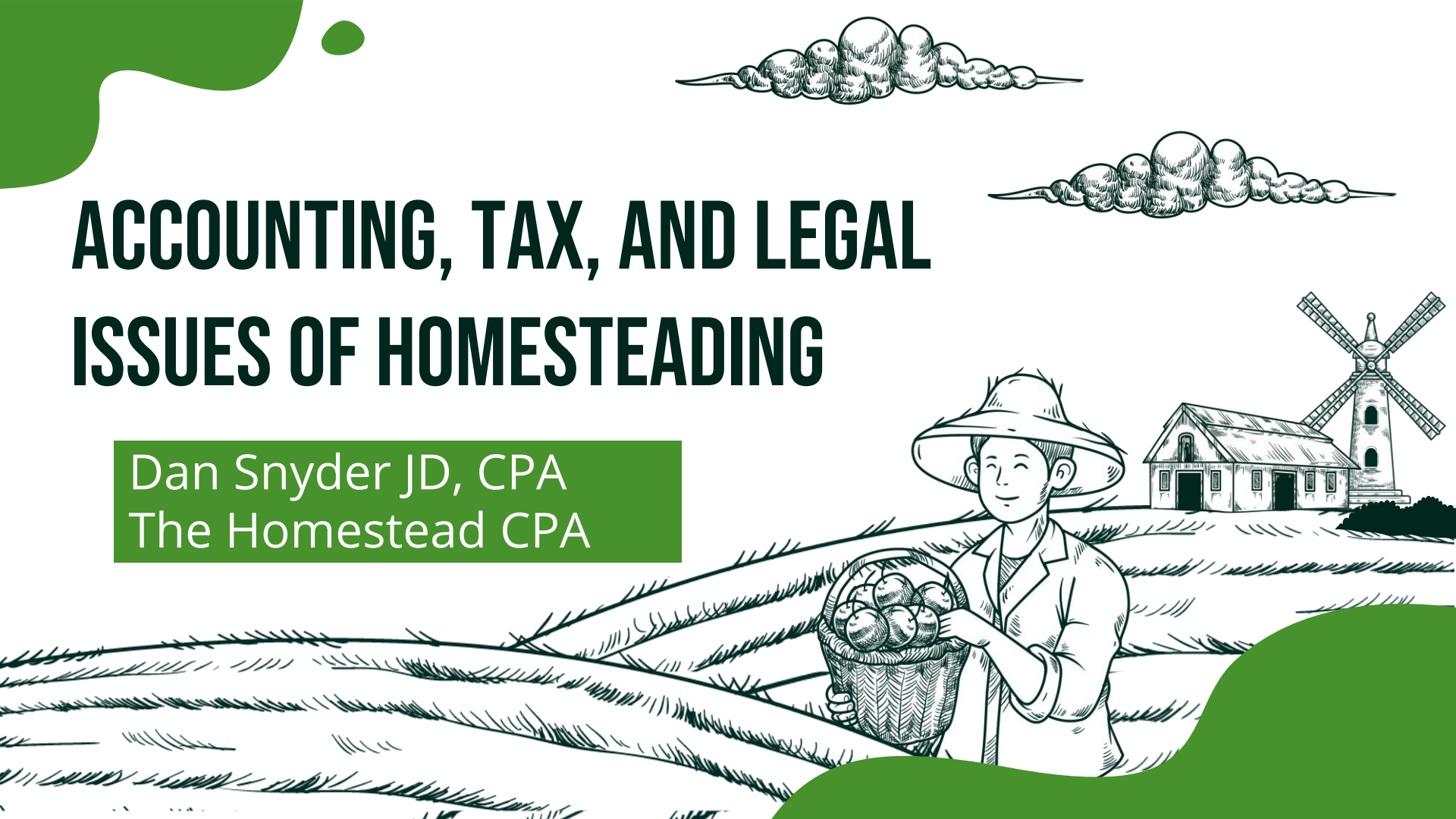




# ACCOUNTING, TAX, AND LEGAL ISSUES OF HOMESTEADING

Dan Snyder JD, CPA  
The Homestead CPA



# DAN SNYDER JD, CPA



## PROFESSIONAL BACKGROUND

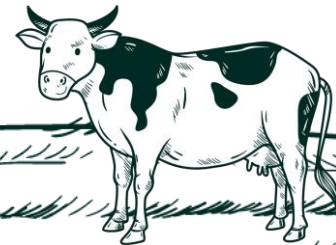
- Attorney / CPA
- Professional History
- Current Clients

## PERSONAL BACKGROUND

- Family
- Ranching
- COVID Gardening
- Homestead Expos

## WHY AM I HERE?

- Provide Information
- Raise Awareness of Needs
- Answer Questions





# TO LLC OR TO NOT LLC?

- BECAUSE EVERYONE ELSE HAS ONE
- MARKETING, TO LOOK MORE PROFESSIONAL
- BUSINESS INSURANCE

- LEGAL LIABILITY PROTECTION
- TAX SAVINGS

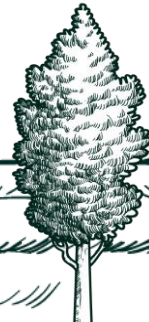




# WHAT IS AN LLC?



- A TYPE OF LEGAL ENTITY
- LESS CUMBERSOME TO USE
- MAY BE NO MORE OR LESS EXPENSIVE TO CREATE AND OPERATE





# HOW IS AN LLC TAXED?

- DEFAULT TO DISREGARDED ENTITY IF SINGLE OWNER
- DEFAULT TO PARTNERSHIP IF MORE THAN ONE OWNER (SPOUSE EXCEPTION)
- CORPORATE ELECTION
- SUBCHAPTER S ELECTION





# RECORD KEEPING

## WHAT ARE RECORDS?

- Entity
- Tax
- Financial
- Operational

## LLC RECORDS

- Meetings
- Bank Records

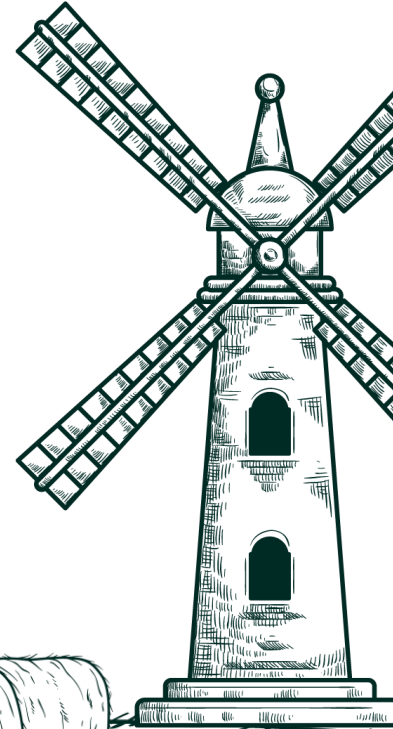
## TAX RECORDS

- Statements
- Financial Records



# RECORD KEEPING

- AS YOU PLAN FOR A GARDEN OR RAISING ANIMALS, SO PLAN FOR YOUR FINANCES
- SIMPLE AS AN EXPANDING FILE OR EXCEL SPREADSHEET
- FARM RISE
- QUICKBOOKS







# TAXATION

## HOBBY LOSS RULES

- What is a Hobby?
- How is a Hobby Taxed?
- How does the IRS Normally Define Hobby?
- How to Plan Around It





# TAXATION

## ALLOCATION OF PURCHASE PRICE

- Things that are **NOT** Tax Deductible
- Things that **ARE** Tax Deductible
- Things that **MAY BE** Tax Deductible



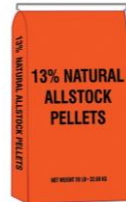


# TAXATION



## DEPRECIATION

- What is a Depreciable Asset?
- What are the Possible Methods?
- Planning



# TAXATION

## SUB CHAPTER S RULES

- HOW TO MAKE THE ELECTION AND WHEN
- DETRIMENTS
- BENEFITS
- CAUTIONS



# WRAP UP



## OTHER TAXES ISSUES

- Payroll Tax Deductions for Children
- Gift and Estate Planning



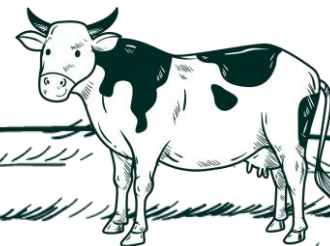
## ADVISORS

- Obtain and Manage a Good Attorney and Tax Advisor
- Make Sure Your Advisors are Informed!
- Ask Questions!



## QUESTIONS?

- During the Expo
- Afterwards





# THANKS!

## DOES ANYONE HAVE ANY QUESTIONS?

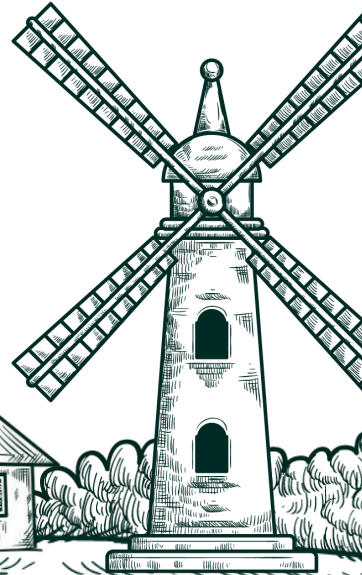
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- Full shot women farming together
- Portrait of female farmer working in her greenhouse
- High angle woman holding carrots
- Full shot women working together
- Side view women working outdoors

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