

# Local business owners save over \$30,000 in taxes!

## CPA guides companies to their financial goals

By RICHARD READ

Kim and Jeff, along with their siblings, grew up working in the family business started by their parents; now even the grandkids are involved. Their company remanufactures heavy equipment, which they then sell wholesale, and retail. Kim and Jeff have been running the family owned business since the 70s and have created a success story. Accounting and taxes however were not their expertise so they hired a reputable accounting firm to handle that portion of their business.

*"About four years ago our old accounting firm gave us our completed tax forms about a day or two before the dead line," recalls Jeff. "We were shocked to see that we owed so much in taxes, especially since we didn't think our year had been that great! That is when we connected with Dan Hodges. We thought our taxes were too high and we wanted a second opinion."*

*"Dan took our forms and went to work reviewing them. Shortly thereafter we received a follow-up call from Dan," says Kim. "He wanted to know if we drove our*

*vehicles in association with the business operation. Yes, we do, to the tune of nearly 130,000 miles annually between all 6 owners. Dan had discovered that nowhere in the corporate or individual returns had there been a deduction taken related to the vehicles. Additionally he asked about our farmland we cash-rent. Income from our farmland, Dan told us is not subjected to FICA tax. Yet our return had taken this non-FICA income and converted it to FICA-taxed income. That year Dan amended our returns to reflect missed deductions resulting in over \$50,000 in tax savings—money back in our pockets!"*

*"Dan Hodges took the time to come out and get to know us, know our goals and understand our operations. We know some of this isn't rocket science, but by simply paying attention to us and of course keeping abreast of changing tax laws, Compass CPA Group is able to keep us both legal and up-to-date. Thus we keep more of our hard-earned money to reinvest in the growth of our company. We were reminded again last year of the value they provide when a change in our circumstances and the applicable law allowed them to save us \$30,000 in taxes. If your accountant does not take the time to get to know you and your business, you may be overpaying your taxes," declares Kim insightfully.*

*"Dan Hodges and Compass CPA Group are an integral part of our business. We utilize Dan's Strategic Tax Planning Service to get a better understanding of where our company is headed. Strategic Tax Planning allows us to set our compass for business growth. We now make our business decisions grounded in facts. And best of all, no more surprises on April 15th!" chuckles Jeff.*

Hodges' files are filled with happy clients; clients who rave about the savings he is able to create for them through his experience, family-owned business focus and legitimate tax deductions he finds for them. To renew their licenses, CPAs are required by law to invest time in staying current with tax law and accounting principles changes. Hodges does more than just the minimum requirement. He dives in deep, typically spending more than twice the required hours to make certain he provides his clients with the knowledge needed to properly control their business.

Daniel Hodges knows exactly what it takes to be an entrepreneur and own a small business. As a fourth generation entrepreneur, Hodges recognizes and understands many of the problems that can bog down a young and industrious business owner, especially when it comes to getting control of the accounting and tax end of the business.

*"We work with physicians, attorneys, engineers, chiropractors, manufacturers and distributors, real estate developers and construction companies, landlords, car dealerships, retail and IT support companies," Hodges says. "We specialize in working with the smaller and medium-sized businesses because we are able to deliver more one-on-one advice and consulting especially in the tax arena."*

Compass CPA Group is located in New Haven. The professionals at Compass can be reached at: (260) 749-2200, or visit their website at [www.compasscpagroup.com](http://www.compasscpagroup.com).



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### Our clients typically choose from the following services:

- ~ Strategic Tax Planning
- ~ Management Consulting
- ~ Corporate and LLC Income Tax Preparation
- ~ Formal Financial Statements on a Monthly, Quarterly, or Annual Basis
- ~ Accounting System Consulting
- ~ Individual Income Tax Preparation
- ~ Bookkeeping Assistance
- ~ Payroll and Sales Tax Compliance Services
- ~ Quickbooks®, Peachtree®, & Microsoft Office Small Business Accounting® Training



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