

The
Wow

e-newsletter

by Ken and Dahlynn McKowen

Principles

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A Taxing Time

by Ken McKowen

(Note: this is not my favorite subject to write about, albeit an important one!)

(One more note: that's me to the left, not on tax day, but when Dahlynn needs money!)

A dear friend—who just published her first book—invited us to join her for dinner. We met her at a local restaurant and had a wonderful evening talking about her book and ways to promote it.

Being a new author, she mentioned taxes and asked how she should account for her expenses. Having completed our own business taxes for several decades, we were familiar with the general rules. Because our business has evolved so much over the last few years, we now utilize the services of both a professional bookkeeper and CPA tax preparation specialist. But we were able to offer her a few “friendly” suggestions, absolutely on the understanding that we were not tax experts. Then we thought some of these suggestions would apply to our readers, thus our sharing them with you in this issue. Again, it is important that you check the tax code or with your tax preparer: these offerings are given in the spirit of friendship!

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A Taxing Time

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Our friend began her publishing quest during 2010. Since the book was self-published, she asked about writing off her printing expenses. “Oops, not so fast,” we told her. Generally, you can write off book-printing expenses only for the copies sold *in the year* they are sold. But there are a lot more expenses involved in running a successful writing or publishing business than your printing costs. Scan IRS Form 1040 Schedule C and you’ll see many categories in which the items below will apply:

- Mileage expenses: it’s \$.50 per mile for 2010 if you take the simple mileage deduction. Mileage can include trips for book research, meetings with book-related consultants, trips to the post office, bridge tolls, parking and professional meetings.
- Preproduction costs, to include graphic artists, cartographers, artists and editors.
- Advertising and promotion, to include printing flyers, posters, bookmarks, business cards and establishing social media sites that specifically reference your book.
- Equipment including computers, tape recorders and cameras: Keep in mind that some may have to be depreciated over three or five years.
- Office supplies, from paper to printer cartridges to pens and paperclips
- Legal fees, business license, professional fees and or dues
- Postage and shipping costs
- Interest on credit cards and loans you have used for your business
- Taxes, sales taxes and tax preparation fees and banking fees
- Repairs and maintenance costs on business equipment
- Mobile/landline telephone costs and Internet access
- Travel, to include airfare, hotels, rental cars and meals
- Cost of your in-home office and storage space for books. This includes a share of your utilities and rent for your office space. It gets significantly more complex if you choose to depreciate part of your owned home.
- Rental or lease of any equipment
- Book donations
- Training to improve your business-related skills

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A Taxing Time

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The secret to taking all of these deductions—and keeping them if you’re ever audited—is to be sure they really do apply to your business. Our favorite tips:

- Keep impeccable records and ALL OF YOUR RECEIPTS!
- Keep logs of your trips and pertinent mileage
- Jot down the reasons for business meetings and the names of people in those meetings
- Keep track of your books because you’ll need both beginning and ending inventory numbers for your taxes
- Maintain separate business checking and charge accounts. We suggest using QuickBooks, Quicken for Home and Business or a similar accounting program.
- But here is the best suggestion we can give you: don’t wait until April 15th to input your receipts and expenses!

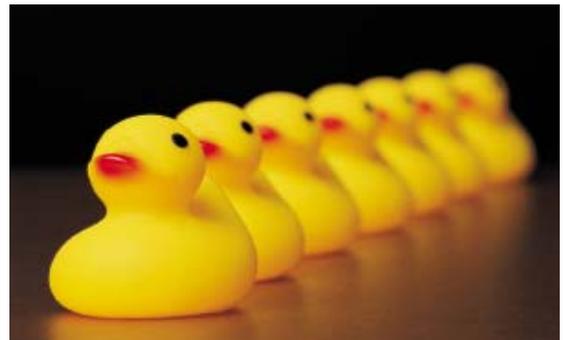


To make you smile...



Your Insider Scoop!

Publishing Syndicate is creating several anthology series and we will announce our first in April. Just lining up our ducks to make sure they’re in a perfect row before we take flight. Stay tuned!



From *Dream of Things* founder Mike O'Mary



First of all, thank you to Dahlynn and Ken for the opportunity to share an update on *Dream of Things*, the little publishing venture I started in 2009. We released three books in 2010, and over the next two years we plan to publish 200 authors in six anthologies of creative nonfiction.

Second, thank you to the authors who are making *Dream of Things* possible. We received hundreds of submissions in 2010. We published 31 authors in *Saying Goodbye*, our first anthology, and dozens of other authors are finalists for future anthologies.

And finally, thank you to readers who are making *Dream of Things* a dream come true! The response to our first three books gives us the encouragement to continue on our mission to bring you “distinctive voices and meaningful books.”

Here are the new book releases from *Dream of Things*:

Saying Goodbye, an anthology of creative nonfiction about how we say goodbye to the people, places and things in our lives (<http://goodbyebook.com>).

Everything I Never Wanted to Be, a memoir of alcoholism and addiction, faith and family, hope and humor by Dina Kucera (<http://everythinginever.com>).

MFA in a Box: a Why to Write Book by John Rember (<http://mfainabox.com>).

For 2011, we have consolidated 14 anthology topics down to 7. Consolidating topics means we will be able to publish most of the current topics within the next two years. To see current anthology topics, submission guidelines and payment information, visit the Dream of Things Workshop (<http://dreamofthings.com/workshop-2>).

One last thing: *Dream of Things* is a proud sponsor of the **Note Project**, a campaign to inspire people to share one million notes of appreciation and promote literacy around the world. There is no cost to participate and participants who share stories and notes of appreciation will be eligible to be published in a book about the Note Project. For more information, visit www.NoteProject.com.

The Wow Principles e-newsletter

HOT STUFF! HOT STUFF! HOT STUFF! HOT STUFF! HOT STUFF!

As of March 20, 2011

Dream of ThingsSM

www.DreamofThings.com

(Find story information under the “Workshop” tab.)

All *Dream of Things* anthology call-outs are open until there are enough stories to fill a book.

Coffee Shop Stories

Holiday Stories

Stories of Forgiveness

Advice You'd Like to Pass On to Others

Making Waves: Stories about Role Models and People Who Inspire and Motivate Us

Travel Stories

Stories about Great Teachers

Chicken Soup for the Soul

www.ChickenSoup.com



Food and Love: 5/15/11

Find Your Happiness: 5/15/11



Family Caregiver: 7/15/11

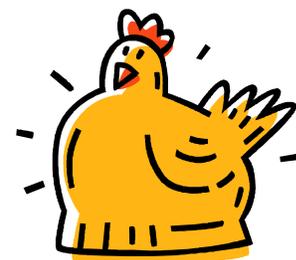
Christmas Stories: 6/30/11

Brides and Weddings: 4/30/11

Home Sweet Home: 8/30/11

Marriage and Married Life: 5/30/11

Think Positive for Kids: 12/31/11



Publishing SyndicateTM

Don't forget: we'll be announcing our first book series next month, so be sure to check the Publishing Syndicate website often. And tell your friends to join the Wow Principles e-newsletter!

Go for it! Get published! 

www.PublishingSyndicate.com

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