

[M/S -6] 1120S Federal Tax Return

<http://fastbooks.solutions/website-tutorial-ss-6>

The FastBooks.Solutions Service-Based Business Accounting Model automatically populates the 1120-S Federal Tax Return and updates the tax statement after each month of business [data] entered. The tax statement generated in the model segment [6] will correspond to the year-to-date business income statement.

To keep things very simple the FastBooks Solutions Accounting Model utilizes the same line numbering and line descriptions as the I.R.S form 1120S Income Tax Return for an S-Corporation for the businesses [chart-of-accounts]. From a big picture perspective; this allows the business to classify expenses using the same expense account classification required by the I.R.S tax statement. FastBooks Solutions clients can customize their licensed copy of FastBooks Solutions to use Federal Tax Return 1120-S,1120, or Schedule C, Form 1040. Only the line numbers and line descriptions of the tax-deductible expense classifications which apply to a service based business have been included in the models [chart-of-accounts] structure.

All [12] months in the calendar year must be entered into the three [data] Input model segments to reflect the correct calculation of Ordinary business income (loss) in the federal tax statement. Unlike many of the other model segments within FastBooks Solutions, the federal tax statements model segments were designed with the purpose to resemble either the actual I.R.S federal tax forms the 1120s, 1120 and 1040 Schedule C as close as possible. Each federal tax model segment includes an URL link which downloads the actual respective federal tax form in a pdf format. The Schedule C federal tax model segment also includes a second URL link for I.R.S form 1040.

All the downloaded pdf files are actual I.R.S. documents which can be used to file the businesses annual federal tax returns either by mail or electronically. The purpose of the model segment -6 screen design was to offer a simple method to compare against the pdf tax statements which will be used as the actual document to file annual business taxes.

The primary functionality feature of the federal tax [M/S -6] is to use the expense accounts included in the income statement in the model to automatically populate and update only the first page of the I.R.S federal tax statement each month. The other 2 to 5 pages included in the federal tax annual tax return forms are either informational or required detailed support for a line item on [page 1] of the federal tax form. Most of the information requested on pages 2 to 5 is not applicable to any service-based business. The intended scope of the federal tax model segments does not go beyond populating the federal tax form to represent the correct calculation of Ordinary business income (loss) on the first page of each respective tax statement.

Form 1120S		U.S. Income Tax Return for a S Corporation		OMB No. 1545-0130
Department of the Treasury		Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be a S corporation		20 17
Internal Revenue Service		Information about Form 1120S and its separate instructions is at www.irs.gov/form1120s .		
For calendar year 2013 or tax year beginning.....2013.....ending.....20.....				
A Selection effective date	Type or Print	Name	Employer identification number	
B Business activity code number (see instructions)		Number, street, and room or suite no. if a P.O. box, see instructions	Date Incorporate	
		City or town, state, and ZIP code.	D Total assets (see instructions)	
C Check if Such M-3 attach []				
G Is the corporation election to be an S corporation beginning with this tax year? [] Yes [] No If "Yes" attach Form 2553 if not already filed				
H Check if: (1) [] Final return (2) [] Name change (3) Address change (4) [] Amended return (5) [] S election termination or revocation				
I Enter the number of shareholders who were shareholders during any part of the tax year.....▶				

Caution, include only trade or business income and expense on lines 1a through 21. See the instructions for more information.

1 a Gross receipts or sales.....	1a	N/A	
b Returns and allowances.....	1b	N/A	
c Balance Subtract line 1b from line 1a.....	1c		5,979,950
2 Cost of goods sold (attach Form 1125-A).....	2		
3 Gross profit. Subtract line 2 from line 1c.....	3		
4 Net gain or (loss) from Form 4797, Part 11, line 17 (attach Form 4797).....	4		
5 Other income (see instructions—attach statement).....	5		
6 Total income Add lines 3 through 5.....	6		5,979,950

The cell range (E4-Q51) is how the 1st reporting section INCOME appears on the (actual) 1120S tax statement:

The cell range (E82-Q94) is how the 2nd reporting section Deductions appears on the (actual) 1120S tax statement:

7 Compensation of officers.....	7	300,000
8 Salaries and wages (less employment credits).....	8	2,195,000
9 Repairs and maintenance.....	9	24,000
11 Rent or (mortgage payments).....	10	600,000
12 Taxes and licenses.....	11	185,000
13 Interest.....	12	132,000
14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562).....	14	240,000
16 Advertising.....	16	119,000
17 Pension, profit-sharing, etc., plans.....	17	60,000
18 Employee benefit programs.....	18	120,996
19 Other deductions (attach statement).....	19	2,003,953
20 Total deductions. Add lines 12 through 19.....	20	5,979,950
21 Ordinary business income (loss) Subtract line 20 from line 6.....	21	(0)

19- Tax Statement to support Line 19 -Other deductions -(list below)	
19-1 Auto Expense.....	67,000
19-2 Bank Charges.....	4,500
19-3 Charitable Contributions.....	8,700
19-4 Communications Expense (Phone, Postage, Etc.).....	68,750
19-5 Computer and other Expensed Equipment.....	14,500
19-6 Dental Supplies (Activity-based category #3).....	685,581
19-7 Insurance.....	59,006
19-8 Lab Fees (Activity-based category #3).....	209,539
19-9 Miscellaneous.....	13,000
19-10 Office Expense & Supplies.....	26,000
19-11 Payroll Taxes (Activity-based category #2).....	182,136
19-12 Professional Services - (legal, accounting, etc.).....	185,000
19-13 Subscription & Publication.....	91,250
19-14 Temporary Help (non-payroll).....	180,000
19-15 Travel & Entertainment Expense.....	69,150
19-16 Utilities.....	98,828
19-17.....	7,380
19-18.....	14,579
19-19.....	19,054
19-20.....	0
Other deductions (Attachment for line 19 above)	2,003,953