



ACCOUNTING • TAX PREPARATION  
CONSULTING • COMPUTER SERVICES  
FINANCIAL ADVISING

# MCLR FINANCIAL CENTER

G-4454 SOUTH SAGINAW STREET  
BURTON, MICHIGAN 48529-2067  
(810) 744-3541 • FAX (810) 744-4806  
[www.MCLR.net](http://www.MCLR.net)

JAMES I. MANN (1929-1991)  
STEVEN A. COATES, ABA  
DAVID W. LONGROY, EA, ATA, ATP  
STEVEN R. RAINEY, ABA, RR

## 2023 Year End Business Client Request for Information

Please review this request for information to avoid delays and extra processing fees for your W-2s, save some money on your property taxes, and possibly avoid some pretty large penalties from the IRS. Please note that we need updates to your employee information and personal property lists as soon as possible.

### EMPLOYEE INFORMATION

If we process your payroll, we may provide you an **employee listing** showing **all** employees who had earnings so far during this calendar year. Please verify with your employees that the social security number and address as it appears on the report is **complete** and **accurate**. We need any corrections and missing information back from you **ASAP** so we can prepare your quarterly and year-end payroll taxes forms and process W-2s in one batch, and not have to charge you for reruns.

While reprinting a W-2 is certainly inconvenient, **correcting** even a single W-2 requires reprocessing of the entire batch and potentially regenerating several of the related returns. We will enforce our **reprint charges** of **\$10.00** per W-2 with **NO** changes, and **\$50.00** per W-2 that requires the change of a social security number or address.

(To avoid reprint charges, we encourage you to register for one of our **secure portals**. With your W-2 copies posted there, you would be able to reprint lost W-2s yourself!)

### PERSONAL PROPERTY

Michigan Property Tax Reports are due February 20th. If the true cash value of your personal property is less than \$80,000, you may be able to claim the Small Business Tax Exemption, which is also due by February 20th. Once granted, the exemption will continue until you no longer qualify, at which time you are required to file a rescission form and a personal property statement by February 20<sup>th</sup>.

To prepare your property tax report, we will need a detailed schedule of your personal property including descriptions, acquisition dates, and costs; if we already maintain a depreciation schedule for your business, we may only need information about disposals and new acquisitions.

### INVENTORIES

The IRS continues to place an increased emphasis on actual physical inventory on hand at December 31<sup>st</sup>. Please make sure to physically count your inventory, retain the records, and provide us with the accurate total of your historical **cost** (not retail value) of inventory on hand at December 31<sup>st</sup>. Make any necessary adjustments for the timing of purchases and receipts of inventory as well as sales and the removal of inventory, and to remove consignments you are holding from other people. If you maintain an inventory, we will need your inventory cost to complete your tax return.

In the event of an audit, you must be able to provide copies of physical count sheets, so we are this year placing an increased emphasis upon obtaining correct year-end physical inventory amounts. As side benefits, you may find that a detailed physical inventory gives you another tool to better manage your investment in your business, and will even provide you better protection in case of a fire or flood.

### NEW FILING REQUIREMENT - BUSINESS OWNERSHIP INFORMATION (BOI)

Most Corporations and Limited Liability Companies (LLCs) are now required to report Beneficial Ownership Information (BOI). Entities formed before 2024 must file by 1/1/2025; entities formed during 2024 must file within 90 days of formation, while those formed after 2024 only have 30 days to file. Changes or corrections must be reported within 30 days. The report requires identification of all individuals who own 25% or more (directly or indirectly) or substantially control the entity. Civil penalties for noncompliance are as high as \$500 per day plus possible criminal penalties including jail time. Visit <https://www.fincen.gov/boi> for more information.

