

**IRS NEWS FOR BUSINESS  
FEBRUARY 2011**

- Register for webinars and phone forums. To get timely notice of planned events, subscribe to [e-News for Small Businesses](#) [IRS Video Portal](#) [IRS Live](#) [Practitioner Events](#)

DATE ( <i>planned</i> )	TAX TOPIC	EVENT TYPE
January 26, 2011	<a href="#">Filing season Updates for business &amp; individuals</a>	IRS Live
February 2, 2011	<a href="#">Affordable Healthcare Act</a>	webinar
<i>March, 2011 -- TBD</i>	<i>Collection</i>	phone forum
<i>May 18, 2011</i>	<i>Construction</i>	phone forum

- [FS 11-02](#) has information about new and expanded deductions and credits that small businesses should consider when completing tax returns and making business decisions in 2011.

■ On December 17, the *Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010*, was signed into law. [IR 11-1](#) & [IR 10-126](#) Those impacted by recent tax changes and extensions may have to wait until mid- to late February to file, including those who itemize deductions or take certain vehicle credits.

■ [Small Business Jobs Act of 2010 Tax Provisions](#). The provision that allows self-employed people to deduct their health insurance when computing their Self Employment tax is taken on Schedule SE, line 3.

- [Affordable Care Act Tax Provisions](#)

■ The updated Beauty Shops Audit Technique Guide is now available as [Chapter 10](#) in the [Cash Intensive Businesses Audit Techniques Guide](#) on the [Audit Technique Guide Webpage](#).

■ [IR 11-2](#) The National Taxpayer Advocate released her annual report to Congress. The Advocate is also soliciting suggestions for tax reform at <http://www.TaxpayerAdvocate.irs.gov>.

■ [IR 10-127](#) Cost of Living and Inflation adjustments to tax benefits and tax brackets affected by recent legislation have been released by the IRS. [Revenue Procedure 11-12](#) [Revenue Procedure 10-40](#)

- Small Businesses:

- Represent 99.7% of all employer firms
- Employ half of all private sector employees
- Pay 45% of total U.S. private payroll
- Generated 65% of net jobs annually over the past 17 years
- Create more than 50% of the nonfarm private gross domestic product (GDP)
- Produce 13 times more patents per employee than large patenting firms
- Hire 43% of high tech workers (such as scientists, engineers, computer programmers and others)
- Make up to 97.5% of all identified exporters

*Information courtesy of the Small Business Administration Office of Advocacy*

**PAYROLL:**

- The latest edition of the [Employee Plans News page](#) is available.

- [IR 10-24](#) Information to help implement the 2011 cut in payroll taxes and withholding is now on IRS.gov [Notice 1036](#) [Publication 15](#)
  
- [IR 10-128](#) [Notice 11-5](#) FSA and HRA participants can continue using debit cards to buy prescribed over-the-counter medicines, if requirements are met.
  
- Effective Jan. 1, 2011 banks will no longer accept federal tax deposit coupons. Deposits must be made through the [Electronic Federal Tax Payment System](#). [Financial Management Service](#) has more information and [TD 9507](#) contains regulations. [IR 10-92](#) [YouTube video](#) Final regulations require all [federal tax deposits](#) be made [electronically](#) beginning Jan. 1
  
- [Notice 10-94](#) delays the effective date of Revenue Ruling 06-57, which provides guidance to employers on the use of smartcards, debit or credit cards, or other electronic media to provide qualified transportation fringes.