

## HOW TO SET UP A TAX-SAVING BOOKKEEPING SYSTEM

This eBook brought to you by:  
[Buy-Ebook.com](http://Buy-Ebook.com)

Our site has got a great collection of the best ebooks which are sold on the Internet, but at a lower price than on any other site.

### Affiliates

Earn 60% Commission On Every Sale! We sell 500+ eBooks.

As a [Buy-Ebook.com](http://Buy-Ebook.com) Associate, we will pay you a Massive 60% referral fee for every sale that you generate. You can [sign up for FREE](#) and start making money straight away.

If you want to directly link to some ebooks related to content of your site, [get affiliate link here](#). Choose any from 500+ titles.

### NOTE:

If you Would like to Offer this Ebook to Your Web Site Visitors as a FREE Download, then please do so. You can post this ebook to your web site, offer it in your newsletter, print it out as a book, give it to your friends, etc. No royalties are necessary. Give it away or offer it as a bonus with your products. You are not allowed to make any changes to it without permission.

## HOW TO SET UP A TAX-SAVING BOOKKEEPING SYSTEM

One of the most important, but least understood or appreciated aspects of any business is its bookkeeping or accounting system. And, because very few people know much about the reasons for a bookkeeping system, most people are frightened by the thought of the work involved in setting up such a system, and the drudgery of daily maintenance.

There's really nothing complicated to bookkeeping - it's as simple as keeping a daily diary and/or maintaining your personal checkbook. At the bottom line, it's simply a matter of recording your deposits - your incoming monies - and keeping a record of the money you spend.

So, the first thing you need to do is open a business account for your extra-in come business or endeavors. Generally, this is simply a matter of asking the new accounts teller at a local bank for a business account registration card. Fill this card in, and with the small registration fee, send it in to the appropriate commissioner, and from there, open you new business account - complete with imprinted checks.

Drop by a local stationery store and pick up a loose-leaf notebook, and a supply of paper. We've always picked up a supply of index tabs at the same time - either to separate the months or the accountability sections for each item we sell.

Assuming that you want to make it as simple as possible, while at the same time keeping it as efficient as is necessary - here's what you do and how you do it:

On the first page in your notebook, write on the top line and in the middle of the page: Monday, January 1st, 1983 or whatever day you officially start your business... Then, as your orders come in - if by mail, as you open your mail - jot down starting from the left side of the page, the amount you received - dash - for what - from whom, and their address. The page might look like this:

Monday - January 1, 1983

\$	
14	Tapes 372/3/4/5 R.W. (Liston 91108)
100	S.W. Fee - Barton (39204)
10	Hong Kong Dir #261 (Retail) Marks (06978)
10	" " #261 (Retail) Summers (91106)
3	Whsle Prt Dir #49 (Retail) Lee (31107)
70	Hot Line Lst - Morgan (82205)

TOTAL INCOME \$207 - EXPENSE 0

That's all there is to it, and boiling it all down, it amounts to recording what you receive and what you spend.

The next entry, immediately under that first day's entry, might look like this:

Tuesday - January 2, 1983

\$	
207	Deposit
11	Printer - for copies
10	Sec & Riches thru R. Est #302 - Rogers (75010)
3	Simplified Annual M.O. Bkbp Sys - Lewis (21104)
10	Money Magnetism - Kline (80033)
36	R.W. Fee - Magnuson (10067)
6	Manual on Bookselling - #291 - Magnuson (10067)
15	Display Ad - Smith (48089)
22	Ideal Ofc Supplies - printer paper

TOTAL INCOME \$80 - EXPENSE \$33 - DEPOSIT \$207

And then, carry on with this recording of the money you deposit, receive and spend each day with similar entries for each day of the week - every day Monday thru Saturday for each week. It's simple, uncomplicated, and a positive record of your business activity.

Then at the end of each month, transfer this daily diary information to one of the low cost bookkeeping registers that your tax consultant or accountant can work from. These people won't work from your daily diary, and will not transfer the information you record in it to a formal bookkeeping register without charging you a small fortune. It's not that big of a job, and if you do it after the close of business on the last day of each month, it will take at the most a very few minutes. Then, of course, when you're ready to do your taxes, you simply give your bookkeeping register to whoever is going to do your taxes, and you're home free.

The bookkeeping register you'll need can be any simple columnar notebook - we use an "Ekonomik Register, Form RL-17" available in a number of different styles and sizes from Ekonomik Systems - PO Box 11413 - Tacoma, WA 98411. All you really need is some sort of notebook with a number of columns marked off, a title written at the top of each column, and a record of the money received for each day relative to the product or service each column represents. Then at the end of each month, you can simply add the totals from each column and you'll instantly know how much money you took in from each of your offers.

Beyond the date column, will be your record of expenses or money spent. Again, you should title each of the columns you'll be entering figures into, and then record your expenditures for items falling into those categories. Then at the end of each month, it's a simple matter to add the totals from each column and know exactly where you stand relative to profit or loss - how much you took in compared to how much you spent.

Bookkeeping and/or accounting is very simple and should not scare you. Just keep it simple, and up-to-date.