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With the end of 2016 fast approaching, now's the time for small business owners to take steps to potentially lower the taxes they owe this year and make sure they're prepared for new tax issues that will roll out in the coming months. Paychex, Inc. has provided a list of tax regulations for small business owners to carefully consider as they approach the New Year. Paychex is a provider of payroll, human resource, insurance, and benefits outsourcing solutions.

"As rules, requirements, and deadlines shift, even the most well-informed small business owner can get lost in the ever-changing world of taxes and other regulatory issues," said Martin Mucci, president and CEO of Paychex. "During this [season of small business](#), we're focused on providing small businesses with information that can help them achieve a strong close to the year and prepare for an even stronger 2017."

Here are the five tax regulations identified by Paychex:

1. Affordable Care Act. For tax year 2016, business owners who are defined as an applicable large employer (ALE), under the Employer Shared Responsibility Provision (ESR) of the Affordable Care Act (ACA), must include a detailed reporting of healthcare coverage. However, the due date for furnishing the 1095-C has been extended from January 31, 2017 to March 2, 2017. The deadline for filing the forms with the IRS remains March 31, 2017 for electronic submissions. Also, reporting entities that can show they made a good faith effort to comply with the reporting requirements – both for furnishing statements to individuals and filing statements and returns with the IRS – may be eligible for good faith transition relief from section 6721 and 6722 penalties to the 2016 information reporting requirements under sections 6055 and 6056.

2. Accelerated W-2 Form Filing. There is a new federal law that accelerates the W-2

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bonus depreciation is extended through tax year 2019, so small businesses will be able to depreciate 50 percent of the cost of equipment acquired and put into service during 2016 and 2017.

4. 401(k) Tax Credit. Small businesses that start a new 401(k) plan between now and December 31, 2016 can claim a federal tax credit for the first three years of the plan to offset plan startup costs. Eligible startup costs include those necessary to set up and administer the plan, as well as those to educate employees about the plan. A percentage of contributions made by the employer are also tax deductible.

5. Deferral of Income. Consider if deferring income into 2017 makes sense for your small business. Doing so may allow you to take advantage of reductions in tax rates the next administration is looking to enact.

To download a Slideshare of the tax considerations for small business owners, click [here](#).

For other helpful tips to advance the long-term success of small businesses, visit www.paychex.com/worx/

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