



Bookkeeping 001 for an Artist's New Business

You can't do it all at once. You've decided to make it as an artist and it is so tempting to just take the leap and run with it, but there are some basic tools to have in place as you move ahead as a professional. A bookkeeping system and organized files are essential.

- Use separate bank and credit card accounts for your business, not your personal accounts.
- Set up a simple bookkeeping system from the start
- Save all receipts in **one** place

The Biz - The Basics:

First of all, do you have your required business forms in place?

- Government forms needed:
 - Register business name with the state
 - State (local) sales tax
 - Locally required permits, licenses
 - EIN Federal ID (otherwise you will use your SS#)
- Bookkeeping 101—design your system, make it simple, make it efficient
 - Set up your calendar with specific time/day each week to do your bookkeeping
 - Design your invoice and receipt form (or use a standard digital form or office supply)
 - Establish your pricing policy/list/worksheet
 - Set up your Income/Expenses with basic categories (some expenses are more /]complicated, ie. depreciation, home office deduction) Here's a start:
 - INCOME:
 - Sales, commissions received
 - Awards, fellowships
 - Teaching, workshops
 - Other income
 - EXPENSE:
 - Art supplies
 - Equipment
 - Entry fees for shows
 - Marketing/advertising
 - Membership fees/dues
 - Office supplies
 - Professional services: legal/accounting/web design/other
 - Professional subscriptions
 - Studio rent
 - Workshops/professional development
 - Travel, meals

For Tax Purposes You'll Need:

- Expense Records and Receipts
 - Keep all receipts, canceled checks, credit card bills for your expenses (supplies, rent, marketing materials, etc)
- Income Records
 - Copies of Sales receipts, cashed checks, 1099 forms received
 - Include income from commissions, teaching, awards, fellowships