

HUNTER BOOKS COMPANY LLC

TAX GUIDE FOR INDEPENDENT CONTRACTORS

Know what you can deduct, what you owe, and how to keep more of what you earn.

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Working for yourself means you pay taxes differently — but also that you can deduct far more. As an independent contractor, no employer withholds taxes on your behalf. You handle that yourself — quarterly. The trade-off? Access to deductions W-2 employees can't touch.

15.3%

Self-Employment Tax
SS + Medicare — you pay both sides

50%

SE Tax Deductible
Deduct half right off your income

20%

QBI Deduction
Pass-through income tax break

\$0

Withheld
You manage your own tax payments

WHAT YOU OWE

- **Self-Employment Tax (15.3%)** — covers Social Security & Medicare. You pay both the employee and employer share.
- **Federal Income Tax** — on net profit after deductions. Paid quarterly via estimated payments.
- **State Income Tax** — most states require quarterly payments too.

Quarterly estimated tax due dates:

Income Period	Due Date
Jan 1 – Mar 31	April 15
Apr 1 – May 31	June 16
Jun 1 – Aug 31	Sept 15
Sep 1 – Dec 31	Jan 15

TOP DEDUCTIONS YOU CAN CLAIM

- 🏠 **Home Office.** Deduct a portion of rent/mortgage, utilities & internet for a dedicated workspace.
- 🚗 **Mileage & Vehicle.** Business miles at the IRS rate (67¢/mi in 2024) or actual vehicle expenses.
- 📞 **Phone & Internet.** The business-use % of your phone and internet bill is fully deductible.
- 💻 **Equipment & Software.** Computers, tools, and subscriptions used for work — often 100% in year one.
- 🎓 **Education & Training.** Courses, certifications, and books that improve skills in your field.
- 💼 **Professional Services.** Accounting and bookkeeping fees — including Hunter Books — are deductible.

CONTRACTOR VS. W-2 EMPLOYEE

	W-2	1099 ✓
Business deductions	Very limited	Extensive
Home office deduction	No	Yes
QBI deduction (20%)	No	Yes
Retirement options	Employer plan	Solo 401(k)/SEP
Tax withholding	Auto	You manage

KEEP THESE RECORDS ALL YEAR — THE IRS EXPECTS THEM

- ✓ **All 1099s & invoices** — every dollar earned
- ✓ **Receipts for expenses** — every purchase
- ✓ **Mileage log** — date, destination & purpose
- ✓ **Bank & card statements** — separate from personal

Ready to stop overpaying on taxes?

Hunter Books Company helps independent contractors get their books clean, deductions maximized, and taxes filed right. Reach out for a no-obligation conversation — no jargon, just clear answers.

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