CAN MARRIED COUPLES MAKE GOOD BUSINESS PARTNERS?

By Anthony Taylor, Sr.

THE ANSWER TO THIS QUESTION IS YES.

Sometimes sharing the same ideas and trusting a partner's judgments makes a big difference in solid decisions.

When thinking about the company's overhead, being married and owning a business can save spouses money, because there will be no need to hire unneeded help. The couples are able to change leadership roles and offer each other some relief, allowing them to hire workers and not spend the majority of the money on management.

Seeking Trust. Sometimes it's hard trusting people with your business. Married business owners should already have an in-house trust long before starting a business. Established trust cuts down on stress.

Benefits. Creating new business ideas is beneficial. The couples should be good at solving problems and other situations.

Skills. The spouse with the most business managing skills can train the other without spending money on outside training programs. This is a plus for the business.

Profits. Saving money on overhead is essential for investing in business products. Sometimes more products mean more money for the company.

Relationship. Spouses sharing a company can HELP BUILD OR maintain their relationship, because they are able to acquire a better understanding on different problems occurring at work or home. It can also buildup the friendship level with each other.

Look at the bright side. Both can become successful together.

TIPS FOR MARRIED BUSINESS PARTNERS

1. Make sure that God is the CEO.
2. Have pride in your business.
3. Respect yourself and others.
4. Help in the community.
5. Control your money.
6. Keep workers happy.
7. Plan vacations.
8. Shut down on weekends.
9. Have company parties.
10. Leave home problems at home.
11. Don't argue at work.
12. Never stop praying.

Important Note: The "Small Business And Work Opportunity Tax Act Of 2007" legislation signed May 25, 2007 simplifies reporting for husband and wife owned businesses. The new law, effective for tax years beginning after Dec. 31, 2006, allows a husband and wife who file a joint return to elect to report income or losses in proportion to their interest in the business and not as a partnership.

The husband and wife must be the sole owners of the business and both spouses must materially participate in the business to make this election.

Under the provision, a qualified joint venture conducted by a husband and wife who file a joint return is not treated as a partnership for Federal tax purposes. All items of income, gain, loss, deduction and credit are divided between the spouses in accordance with their respective interests in the venture. Each spouse takes into account his or her respective share of these items as a sole proprietor. Thus, it is anticipated that each spouse would account for his or her respective share on the appropriate form, such as Schedule C. The provision is not intended to change the determination under present law of whether an entity is a partnership for Federal tax purposes (without regard to the election provided by the provision).

For purposes of determining net earnings from self-employment, each spouse's share of income or loss from a qualified joint venture is taken into account just as it is for Federal income tax purposes under the provision (i.e., in accordance with their respective interests in the venture).