



Top 5 Financial Pitfalls for Small Business Owners

AND HOW TO AVOID THEM



From OneBooks Colorado

Top Pitfalls

01

Mixing Business and Personal Finances



Pitfall: Using one account for both personal and business expenses.

Why It's Risky: It blurs legal protections, complicates bookkeeping, and can create issues during tax time or an audit.

Fix: Keep separate business bank and credit card accounts and use them exclusively for business activity.

02

Failing to Send Out 1099s



Pitfall: Missing 1099 filings for vendors or contractors.

Why It's Risky: It can lead to IRS penalties, audits, and compliance headaches.

Fix: Collect W-9s before making payments so you know who qualifies for a 1099.

Top Pitfalls

03

Waiting Until Tax Time to Look at Finances



Pitfall: Only reviewing financials at year-end.

Why It's Risky: You may miss red flags, tax-saving opportunities, or cash flow problems that could have been fixed earlier.

Fix: Review and update your books monthly to stay informed and make better decisions year-round.

04

Not Paying Yourself Properly



Pitfall: Taking draws, distributions, or inconsistent pay without considering your tax setup.

Why It's Risky: Improper compensation can trigger IRS scrutiny, result in missed deductions, or lead to unexpected tax liabilities.

Fix: Learn the compensation rules for your entity type and work with a professional to ensure you're paying yourself correctly.

Top Pitfalls

05

Trying to DIY Everything



Pitfall: Wearing every hat - CEO, operations, HR, bookkeeping, taxes, and marketing.

Why It's Risky: Burnout, inefficiencies, and costly mistakes can add up quickly.

Fix: Delegate to trusted professionals to gain clarity, save time, and focus on growing your business.

The Ultimate Way to Avoid These Pitfalls?

When you team up with a trusted bookkeeping and tax pro, you can stop worrying about the numbers and start focusing on growth. Your books stay clean all year, tax season arrives without stress, and you gain a go-to partner ready to keep your finances on track, so your business can move forward with confidence.

READY FOR NUMBERS THAT FINALLY FEEL EASY?

**HERE'S HOW WE'LL MAKE IT HAPPEN
WITH ZERO JUDGMENT, JUST RELIEF.**

1. Book Your Free Call- Hop on Zoom with Keely at OneBooks Colorado. In this no-pressure chat we'll unpack what's tripping you up and what confidence around your finances really looks like for your business.
2. Get Your Personalized Plan- Keely maps out clear next steps; whether that's rescuing you from a mountain of receipts, catching up months of entries, or setting up tax-ready systems that run like clockwork.
3. Breathe & Get Back to What You Love- With clean books and a straightforward path forward, you can focus on growing your business (or enjoying more family time) instead of stressing over spreadsheets.



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