If you are a golf professional, we hope you paid a lot of taxes last year. That's right—we hope you paid a lot of taxes, because if you did, you also made a lot of money. That's a reliable way of judging whether or not you know how to run your business.

With success comes some pain; the more successful you are and the larger those income dollar figures become, the more complicated becomes the bookkeeping and accounting relating to taxes. This is particularly true as your staff grows. With the multiplicity of taxes imposed on businesses these days, the golf professional, who has an accounting degree, would have an advantage. But he's not an accountant. The professional's business is service. Every hour he spends on tax records takes away the time that he is able to devote to his real job. Although dealing with taxes and tax records are unavoidable, as part of the golf business, the professional can minimize the time and energy he now spends on this necessary clerical job.

There are three basic approaches the professional can take in his tax record keeping:
1. Hire an accountant and turn the whole business over to him;
2. Adopt a simplified system of bookkeeping, designed by accounting professionals who know the specialized needs of the pro shop. (The professional may want to use an accountant only for the final tax preparation and for special consulting.);
3. Bone up on bookkeeping and create your own system.

HIRE AN ACCOUNTANT
How much money can you afford to pay for an accountant? That is a fundamental question. Do you need an accountant regularly or only at tax time? How sophisticated does your bookkeeping have to be? If you are not careful, you could end up paying a bill that would not match the value of the service for the size of your pro shop business.

Any accountant won't do. A corporation accountant, for example, might be superb in dealing with large companies, but he may never be able to relate to the golf business. An accountant who works primarily with governmental agencies may not be able to relate to the problems of a private entrepreneur. The complexity of these problems in a relatively small business operation may not even require the services of a high-priced tax expert. You may get equally good results from a young CPA, who is less established and who charges a lower rate. If you decide to use an accountant regularly, get one who talks your language in terms you understand. A nice bonus would be if he played golf as well, particularly at your course.

TAX-TIME ACCOUNTANT
There are systems and services provided by tax consulting firms that can set you up with a simplified program that requires little of their attention, except at tax time. An example would be Federal Tax and Record Systems in Fort Lauderdale, Fla. Their system is used by Bob Gutwein, the Golf Professional of the Year in Southern California from Rancho Bernardo. Gutwein uses their service, which guarantees the following:
1. Completion of annual state income tax returns, Federal income tax returns (including self-employment Social Security return) and the estimated income tax returns;
2. The rendering of advisory service on all bookkeeping and tax problems submitted to their tax department;
3. A guaranteed payment of all fines and penalties resulting from any errors they commit;
4. A tax record bookkeeping system with materials supplied for one business year.

All of these services are available for about $150 a year. The continued
system requires approximately 15 minutes of bookkeeping a day by the professional, but is relatively easy to learn and follow. One potential weakness with a system of this type can be the lack of regular contact with an accountant who would stay abreast of any changes you might make in your business. If your operation remains relatively stable from one year to the next, you could manage quite well with the mail-in consultant service that is provided. If you know about other systems that are worth recommending, you may wish to pass them on to the readers through GoFdom.

SELF-MADE ACCOUNTANT
Doing accounting yourself is possible, but not advisable. With the myriad changes in the tax law occurring annually, it is very difficult for an amateur to stay abreast of the tax law. There were roughly 17 major tax changes this past year. Unless you have a particular affinity for figures and a knack for book work, you will more than likely require either an accountant or the kind of accounting service, previously mentioned.

The underlying principle behind whatever method you eventually choose to meet your tax responsibilities is to create a plan and maintain reliable tax records. The chart on this page—Tax Calendar and checklist—is used by Golf Professional, Inc., a subchapter “S” Corporation, Inc., formed by co-author James Bailey, golf professional, Hyland Hills GC, Westminster, Colo. The calendar is specifically designed for Colorado tax law (each state has different requirements) and is a good system to make sure all federal and state payments are met.

Those who have been self-employed in the golf business know that when they prepared to open their shops, it was necessary to complete the following jobs related to tax laws:
1) apply for a Federal I.D. number (local IRS); 2) apply for a state withholding I.D. number (State Employment Commission);
3) apply for city and state sales tax licenses (local agencies), and
4) file for state and Federal unemployment rating. It would be too lengthy a job to identify here all the forms and list all the steps in handling the above taxes. Besides, information is available from each agency. What may be more helpful is to note some tips that pertain to tax problems. Listed below by major category, here are a few.

UNEMPLOYMENT
As an employer, you earn an employer’s experience rating, which has an influence on how much contribution you must make to the state and Federal unemployment problems. If you experience a large turnover rate, and a former employee or employees file for unemployment and have valid complaints, your tax rate may stay high. To avoid this, keep good employee records. If you dismiss an employee, state precisely the reasons he or she was discharged. Later, you may wish to file a wai-

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**TAX CALENDAR AND CHECKLIST**

**JANUARY**
Give employees Copy B and Copy C of Form W-2 or W2P
January 5 Records to accountant for December
January 10 Federal depository receipts
January 15 Balance due on 1972 estimated tax—Federal
January 20 State sales tax due
January 31 File Form 941 Federal Withholding Tax and
Social Security (4th quarter)

**FEBRUARY**
February 5 Records to accountant for January
February 10 Federal depository receipts
February 20 State sales tax due

**MARCH**
March 5 Records to accountant for February
March 10 Federal depository receipts
March 20 State sales tax due

**APRIL**
April 5 Records to accountant for March
April 10 Federal depository receipts
April 16 Pay personal property tax
April 16 1972 Federal income tax due
April 16 Federal, one-quarter estimate due
April 16 State, one-quarter estimate due
April 20 State sales tax due
April 30 File Form 941 Federal withholding tax and
Social Security

**MAY**
May 5 Records to accountant for April
May 10 Federal depository receipts
May 20 State sales tax due

**JUNE**
June 5 Records to accountant for May
June 10 Federal depository receipts
June 15 2d installment, Federal, one-quarter estimate due

*Applies to Colorado only for 1972.*
ver if you feel his claim is not legitimate. Protecting your rating can lower your tax rate. The important point is, always put the circumstances of employment in writing; keep records.

PROPERTY TAX

Your shop inventory and the cars (if you own the concession) are part of your personal property that is taxable in states or communities where this tax applies. Do the very best you can to obtain an equitable assessment on these items. You may find a local assessor who knows something about golf or who plays golf. His knowledge would allow him to better appreciate your circumstances.

INCOME TAX

If you are a large operator, netting around $40,000 to $50,000, you may wish to incorporate. There are many tax advantages for those in this income range. Don't overlook the possibility, however, that incorporating may be advisable for professionals with incomes half those amounts.

DEDUCTIBLE ITEMS

Most professionals are aware of these standard deductions in the golf business: cost of goods sold, wages, office and shop supplies, advertising and promotion, professional dues, meetings, business travel, tournament expenses, repairs, interest, business and health insurance, accountant fees and so on.

Here are a few, which sometimes aren't considered: personal caddie fees at your club when playing with members (it's part of your expected function and is a legitimate expense), special clothing (blazers for your staff during tournaments and anything else that would be considered as part of a uniform), any special functions for your staff, which would be considered employee benefits (staff picnic or party, for example), and donations of old clubs to a school or bazaar (plus, of course, any donations of prizes to junior events or special tournaments). There are many possibilities, which are legal and which are frequently overlooked.

When you have developed the persistence that's necessary for adequate record keeping, you may wonder what to do with all the accumulated paperwork. The United States Government Printing Office provides a publication entitled "Guide to Record Retention Requirements," which assists businessmen and the general public by telling them 1) what records must be kept; 2) who must keep them, and 3) how long they must be kept. It may be of some help to you. Simply write: United States Government Printing Office, Washington, D.C., for more information.

Although the role of the golf professional continues to increase in complexity, he cannot allow himself to fall behind the rapidly changing scene. At the same time, the professional must find ways to cope with these new developments without destroying his ability to perform his traditional functions. Records are extremely important; see that they are done well. But remember, you'll probably never hear a golfer say, "There goes our pro. He's a terrific accountant."