



Sells Like **HOT CAKES**

How You Can Get From Zero To \$47,812 Per Month With No Capital
Or Investments Using A Simple Amazon +Shopify System

CORPORATE AND TAXATION: A QUICK GUIDE TO DEALING WITH INCORPORATION AND TAXES ON AMAZON

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Hi, guys. Welcome back to Sells Like Hot Cakes. In this video we're going to talk about incorporation and taxes. First of all, before we start, a quick disclaimer. We are not lawyers or accountants and we don't provide any sort of legal advice, so just take this information as an educational resource for you and always contact your legal advisor, your lawyer, directly, and your CPA. Pay ATTENTION people, this is very crucial!

Let's take a peek at what you'll learn:

- ***Which is BETTER? A company account OR a personal account? Find the RIGHT answer and WHY***
- ***The 3 types of sellers on Amazon; which of them are YOU?***
- ***Knowledge is POWER; Educate yourself on the type of taxes you'll be dealing with***
- ***How to sell in the United States; What exactly to be prepared for.***
- ***How to avoid the pitfalls of DOUBLE TAXATION; guys, don't joke with this!***
- ***GREAT websites that'll help you PREPARE your taxes and tax returns; SAVING you TIME AND ENERGY.***
- ***TAKE ADVANTAGE of Amazon's overseas Affiliates and EXPAND your presence by opening offshore companies. Learn all these and SO MUCH MORE!***

There are so many countries and legislations that covering everything is really out of the scope of this course, so let me just quickly give you some great tips and tell you in which direction you should look into and then you could dig deeper depending on your own country and your own situation. Because, in the world of taxes and incorporation, there is really no one solution for everyone; it really depends on your country of residence and options that are available for you specifically.

Before we start, let's talk about if you should have a personal account or a company account on seller central in Amazon. Obviously, I highly recommend that you get only a company professional account from the beginning. Yes, it will have some small monthly fee, that if you're starting a professional business, this shouldn't be your worry because you have many other fees and this small Amazon fee is the least of your troubles.



Don't worry about this fee and just start a company account because it will give you full access to all professional features such as PPC advertising, lightning deals, and brand registry, and it will also let you have full protection from liabilities in case something goes wrong so you're personally not liable it's just your company. Also, very important, remember that, if you're not in the United States, you can still sell in the United States Amazon and you don't have to live there or have a United States company or bank account like many people think. Let this not stop you, guys.

Personally, my team doesn't even live in the United States and we still sell on Amazon United States just fine, so let this not stop you. Let's talk about three different types of sellers of Amazon. There are three main types: first of all, these are United States residents who are selling in the United States and Europe, European residents who are selling in the United States and Europe, and so-called "the rest of the world," countries that are outside of the United States and Europe who are still selling in the United States and Europe just fine.

There are really no limits for you, guys. There are a lot of people who are based in other countries, outside of Europe and the United States and even China, and they sell on Amazon just fine. It's only about the paperwork that you file, the companies you open, but there are no real limits that should stop you. Let's talk about selling in the United States. There are two types of taxation that you can have if you are selling in the United States. First of all is the US taxation on sales tax, custom fees, and import duties if you're importing stuff, for example, from China.

Then you can have personal income tax and this is based on the country of your residence. If you are going to open a United States company, then the preferable option is to go with a United States LLC state registration. It can be done in three popular states such as Nevada, Wyoming, which is the cheapest one, and Delaware. Nevada LLC fees, for example, are just \$75 initial fee and then \$350 annual renewal fee. In Wyoming, the fee is even lower; it's just \$100 startup fee and then \$100 annual fee.

Of course, the fees might change after this recording, so always check with your registration agent about the fees. This kind of corporation is a good idea for you to get a company in the United States. Of course, you can do it remotely as well. For example, if you are in Europe, you can still get an LLC in the United States as well, so this is not an issue, where you live. It's much more important where you sell.

If you're planning to sell in Europe, it's good to have a European company then you will have a bank account with it, a credit card, and a VAT number. We'll talk a little bit more about VAT later. There are a lot of companies that will help you with all of the hassles of European company's accounts and VAT numbers, for example, fba-hero.com. This is a German company that helps you with all sorts of assistance getting VAT and starting selling in all five marketplaces in Amazon in Europe.

They are helping you with VAT registration and ongoing tax returns, they are helping you with translations of your products into five marketplace languages, and they are doing honest reviews and promotions in each country. We've tried this service and it's pretty good, so I don't know if you might like to try it as well if you are selling in Europe. For your taxation, if you're selling in the United States, you need to



get an employer identification number, which is the EIN number, it's a tax identification of your business.

You can apply online or by phone on IRS.gov. You can search on the IRS.gov website, and here you can see you apply for the EIN number online and this is really easy. Just prepare what they are asking and you can get it pretty easily. If you are selling in Europe, you need to get a VAT number, which is value added tax identification number. This is an identifier used in many European countries for the purpose of value-added tax.

To get this, this might be a pretty tiresome, long paperwork process so you can use services like fba-hero to assist in getting your own VAT number if you are selling in Europe because you need to have it, guys. Next, what else is needed? In case you are opening a United States company, you will need to open a United States bank account as well with this company. For that, you might need a personal visit because they don't really like to open accounts remotely. Take your passport, EIN number that you received, company papers, operation agreement, business license, and articles of organization which states the structure of your company and the owners.

Then you need to get a virtual address if you don't have a physical address in the United States. You can get it online; it costs around \$90 per year. You can just Google virtual addresses in the United States and you'll get tons of them. We discussed that in our course in another video. You can get a United States phone number as well, which is always needed for Amazon verifications, and you can just get it via Skype, it's really easy. Again, we talked about this on one of my other videos.

Also, you need a credit card, which will be used to pay for pay per click fees, lightning deal fees, and things like that and for the Amazon professional account itself. If you are selling, for example, in the United States and you are a resident of France or another country outside of the United States, then you should really be careful with an issue called double taxation, which means if you are getting taxed first in the United States and then again in France, for example.

To avoid this issue, first of all you need to check agreements and treaties on the subject of double taxation of your country and the country where you are selling. You can just Google your country plus "double tax treaty," and then you see what agreements and treaties your country has on the subject of double taxation. Another way to avoid double taxation is to work with an LLC, limited liability companies, and of course, always consult your CPA and accountant first to be really specific and to be fully sure on how you can avoid double taxation issues.

Since Amazon is working with companies outside of Europe as well, you can try to open an offshore company as well. For example, a company in Hong Kong, BVI, Panama, Singapore, and other countries like that. Opening your offshore company and bank account is a little bit outside of the scope of our course, but you can Google "offshore company registration services," for example, ptshamrock.com, which will give you full information on how you can open an offshore company and offshore bank account and get your ID, for example, a driving license and ID in another country, credit cards and ATM cards as well.



You can really get a lot of information here. Plus you can get a mail drop service if you need to forward some of the paperwork, they will help you as well.

Plus there are a lot of other good sites that will help you with your tax returns and preparing your taxes. For example, CPAonfire.com. Freshbooks.com, this is an easy software that will help you prepare your invoices, expenses, time tracking, payment reports, and everything that is related to taxes. And of course, taxjar.com and TurboTax, they also will help you save hours and eliminate your sales tax headache.

Remember how I always suggest that you outsource things like that and you hire professionals to handle your tax returns, invoices instead of just wasting your own time doing paperwork. Instead, put your time into developing new products, increasing your profits, and maximizing your sales. I hope this video is helpful for you and I'll see you in the next videos. Remember: always do a professional Amazon accounts based on your company, never do a personal Amazon account.

That is the main thing that you should take out of this video. Thank you for watching and see you in the next one... uff... this was a long one! Time for some coffee...