



A READY FOUNDER™ GUIDE FROM ONE DEGREE FINANCIAL

# 9 Tax Strategies Most Founders Don't Know About

The ones that could save you **thousands** the next time you file.

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FINANCIAL

[www.onedegreefinancial.com](http://www.onedegreefinancial.com)

"Back in 1999, I was part of a tech company that sold without proper tax planning in place."

The cost of that mistake could have paid for **both of my kids' college educations.**

- ⊗ **Poor tax planning at exit isn't just expensive, it's life-changing money left on the table.**



**Most founders only think about taxes once a year.**

### **The Problem**

By April, it's already too late. The numbers are already what they are.

### **The Opportunity**

Tax strategy happens **before** the year ends, not after. Every month you wait costs you money.

# The Augusta Rule

## What It Is

You can rent your home to your business for up to **14 days a year**. That rental income is **completely tax-free**.

## Why It Matters

Your business gets a legitimate deduction. You receive the income personally, without paying a dime in taxes on it.

## Who Misses It

Most founders have never heard of it. Named after Augusta, Georgia, where homeowners rent to Masters Tournament attendees tax-free every year.

STRATEGY 2 OF 9

# The R&D Tax Credit

If your team builds software, products, or processes, **some of that work likely qualifies.**

## Pre-Profitability Perk

It can even **offset payroll taxes** before you're profitable, a rare and powerful benefit for early-stage companies.

## Who Qualifies

SaaS companies, hardware builders, process innovators. If you're experimenting and iterating, you likely qualify.

# Choice of Entity

⚠️ Crossed \$100K in net income and still a sole proprietor? You're probably overpaying in self-employment taxes.

1

## Sole Proprietor

15.3% self-employment tax on every dollar of profit. No protection at exit.

2

## Right Structure

S-Corp or LLC election can dramatically reduce your SE tax burden as income grows.

3

## Exit Protection

The right entity structure also **protects you at exit**, when the stakes are highest.

## Solo 401(k)

# \$72K

### Max Contribution

For 2026 — for a solo founder with no employees



### How It Works

No employees but yourself? You can contribute as both the employee *and* the employer.

Every dollar you set aside **lowers your taxable income** for the year, dollar for dollar.

One of the most powerful and underused tools available to solo founders.

# Hiring Your Kids

## The Rule

Pay your children under 18 a **reasonable wage** for real work performed in your business.

## The Win

Your business gets the **full deduction**. The money stays in the family, and their standard deduction shelters much of it from tax.

- ① Real work only — filing, social media, data entry, and more can all qualify. Document everything.

# The founders who keep the most money think differently.

01

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## Year-Round Planning

Tax strategy isn't an April event. It's something they do **all year long**.

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## Quarterly Reviews

Check in every quarter. Adjust as the business changes. Stay ahead of the numbers.

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## No April Surprises

When you plan proactively, tax season becomes a **confirmation**, not a shock.



**Tax season is over.**

This is the **best time** to do something about next year.

**The founders who win don't wait until April. They act now, while everyone else is asleep on it.**

✔ Read all nine strategies in this month's newsletter.

<https://readyfounder.substack.com/>