

A FREE GUIDE FROM THE BARATELLI INSTITUTE

THE CREATOR'S MONEY PLAYBOOK

For creators earning real money from the platforms — the taxes nobody withheld, the paycheck you have to build yourself, the structure that protects you, and the wealth that has to outlast the algorithm.

The views are rented. The wealth is yours to build — if you treat the income like a business instead of a windfall.

9 CHAPTERS · 3 PARTS · STARTER CHECKLIST · FREE

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❖ BARATELLI INSTITUTE · A FREE GUIDE

The Creator's Money Playbook

Turn lumpy, fragile creator income into durable wealth

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FREE EDITION · 2026 · 9 CHAPTERS · INCLUDES THE STARTER CHECKLIST

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CASEY LIN

Casey Lin, the creator who recurs throughout this guide, is a composite built to carry the decisions a real creator faces. Casey is fictitious; any resemblance to a specific creator is coincidental.

CURRENT AS OF

This edition is current as of June 2026. Tax figures — the self-employment tax rate, estimated-tax thresholds, retirement-plan contribution limits, and the like — are indexed and change annually. Where this guide states a specific figure, confirm the current-year number before relying on it.

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HOW TO USE THIS GUIDE

Where to start

WHO THIS GUIDE IS FOR — DEFINING "CREATOR"

In this guide a **creator** is anyone earning real money from the platforms by producing content, brand, or product directly to an audience — YouTubers, TikTokers, Twitch streamers, Substack writers, podcasters, course sellers, OnlyFans creators, Patreon members, newsletter operators, influencers, short-form video creators, designers selling on Etsy or Shopify, musicians earning from streaming and live, authors selling direct, and creators monetizing via paid partnerships, affiliate revenue, ad share, memberships, tips, merch, licensing, or direct sales. The common thread: the income is yours, no employer withholds tax, the platforms can change the rules, and the audience is the asset. If that describes how you earn, this guide is for you — whether you made \$20,000 last year or \$2,000,000.

You can read this cover to cover in an afternoon — but you don't have to. Find the row that sounds like you and start there. The one test behind every page: does this make your money more secure and your business more durable? Every chapter ends with a "do this now," and the back of the guide has a one-page checklist to put it all to work.

IF YOU ARE...	START HERE
Just starting to earn real money	Read it in order. Chapters 1–3 (the business reframe, the tax bomb, and paying yourself) are the ones that prevent the disasters.
Already earning well, feeling disorganized	Start with Chapter 2 (taxes) and Chapter 4 (structure), then 5 (deductions) — the places money is most often lost.
Signing brand deals	Chapter 6 is for you today; then 9 on when to bring in an attorney. Don't sign anything large before reading it.
Worried this won't last	Chapters 7 and 8 — diversifying off the platform and funding retirement as your own boss — are the durability plan.
Ready to build a team	Chapter 9, then the Starter Checklist at the back to see what's still open.

THE ONE IDEA BEHIND THE WHOLE GUIDE

The platform made you popular; it will not make you secure. The money that feels like a windfall is actually a business's revenue — lumpy, untaxed at the source, and fragile. Treat it like a business and it becomes durable wealth. Treat it like luck and it disappears the way it came. This guide is the manual for the first path.

CONTENTS

Table of contents

PART I · THE MONEY IS DIFFERENT

1	Your Channel Is a Business	8
2	The Tax Bomb Nobody Warned You About	10
3	Pay Yourself Like an Employee	13

PART II · STRUCTURE AND PROTECT

4	Sole Prop, LLC, or S-Corp?	16
5	What You Can Actually Deduct	19
6	Get the Brand Deal Right	24

PART III · BUILD WEALTH THAT OUTLASTS THE ALGORITHM

7	The Income Won't Last — Plan Like It	28
8	Retirement When You're Your Own Boss	30
9	Build the Team Before You Need It	33

APPENDICES

A	The Creator Money Starter Checklist	36
B	Plain-English Glossary	37
C	The Prompt Library	39

EXHIBITS

List of exhibits & worksheets

Every table, ledger, and worksheet in the guide, by chapter and appendix.

1	Your revenue streams and how reliable each is	9
2	The taxes on creator income, and the reserve to set aside	11
3	The pay-yourself account flow	14
4	Sole prop vs. LLC vs. S-corp vs. loan-out	17
5	What's deductible — and the watch-outs	20
5a	Accounting software — selection by revenue level (Ch. 5.7)	19
5b	Inventory costing & COGS mechanics for merch (Ch. 5.8)	19
5c	Professional fees — the team-as-deduction reference (Ch. 5.9)	19
6	Brand-deal terms and how to protect yourself	25
7	Income risks and the defense against each	29
8	Self-employed retirement accounts compared	31
9	The team: who does what and when to hire	34
A	The Creator Money Starter Checklist	36
B	Plain-English glossary	37

PART I

The Money Is Different

Why a channel is a business, the tax bomb nobody warned you about, and how to turn lumpy, fragile income into a steady paycheck.

1 · Your Channel Is a Business

2 · The Tax Bomb Nobody Warned You About

3 · Pay Yourself Like an Employee

CHAPTER 1

Your Channel Is a Business

The platform made you popular. It will not make you secure. The day the money got real is the day the hobby became a business — whether you started treating it like one or not.

1.1 The reframe that changes everything

The moment a brand pays you, or the platform sends a real check, you are running a business — the law already sees it that way even if you don't. Every decision in this guide flows from that one reframe. A salaried employee has an employer who withholds taxes, funds a 401(k), and smooths the paycheck. You have none of that. You are the talent, the sales team, the finance department, and the boss, and the income that feels like luck is actually revenue you now have to manage.

1.2 Map your revenue streams

Creator income is not one thing; it is a stack of very different streams, each paid and taxed differently. Platform ad revenue (your RPM/CPM share — the revenue or cost per thousand views) lands monthly and swings with the algorithm. Brand deals and sponsorships are project income, often paid slowly. Affiliate and merch are sales income. Memberships and tips (Patreon, channel memberships, Super Chats) are recurring but fickle. Licensing and courses can become real assets. Knowing exactly where your money comes from is step one, because each stream has a different reliability and a different tax and contract profile.

1.3 Lumpy and fragile — the two problems

Two things make creator money uniquely hard. It is *lumpy*: a viral month or a big sponsorship can be followed by a quiet quarter, so the annual number hides wild monthly swings. And it is *fragile*: a single platform's policy change, a demonetization, or an algorithm shift can cut a stream overnight. A salary is steady and durable; creator income is neither. The whole playbook is about converting lumpy, fragile income into stable, durable wealth.

1.4 Revenue is not profit, and profit is not yours yet

The amount a brand pays is not what you keep. Out of it come your costs (gear, software, editing, travel), then the taxes nobody withheld, and only then your actual take-home. The single most common creator mistake is spending the top-line number — treating a \$50,000 sponsorship as \$50,000 to live on, when a third or more belongs to the IRS and a chunk belongs to running the channel. The next three chapters fix exactly this.

1.5 Do this now — the revenue map

List every income stream you have, what each paid over the last twelve months, and how reliable each one is (steady / lumpy / fragile). You cannot manage, tax-plan, or diversify money you have not mapped. This one page is the foundation for everything that follows.

STREAM	HOW IT PAYS	RELIABILITY
Platform ad revenue	Monthly, varies with views	Lumpy
Brand deals / sponsorships	Per project, often slow	Lumpy, high value
Affiliate & merch	Per sale	Variable
Memberships & tips	Recurring, small	Steadier but fickle
Licensing / courses	One-time or passive	Can become an asset

AI PROMPT — MAP MY CREATOR BUSINESS

Context. I'm a creator mapping my business. Inputs: my platforms and what each paid over the last 12 months [paste], my main costs [paste]. **Output:** a clean revenue map by stream with reliability flags, my rough cost ratio, an estimate of what's actually profit versus top-line, and the one stream most worth growing or protecting.

CHAPTER TAKEAWAYS

- **Money got real = it's a business.** The law already treats it that way; you should too.
- **Map every revenue stream.** Each is paid, taxed, and risked differently.
- **Creator income is lumpy and fragile.** The job is to turn it into stable, durable wealth.
- **Top-line is not take-home.** Costs and untaxed dollars come out first.

CASEY LIN · CHAPTER 1 · THE REFRAME

Casey Lin, a gaming and lifestyle creator, crosses from pocket money to about \$400,000 in eighteen months — ad revenue, three brand deals, and a growing Patreon. The money feels like a windfall, so Casey spends like it's salary. The first thing a good advisor does is make Casey map it: five streams, wildly different reliability, and a top-line number that is nowhere near take-home.

Continue: Chapter 2 — The Tax Bomb Nobody Warned You About.

CHAPTER 2

The Tax Bomb Nobody Warned You About

Nobody withheld anything. Every dollar that hit your account looks like yours, and a third of it isn't. The creators who blow up financially almost always blow up here.

2.1 No withholding — the core trap

A W-2 employee never sees the taxes; the employer takes them out of every paycheck. As a creator you are self-employed, so *nothing* is withheld. The full amount lands in your account, feels like spendable money, and creates the single most common creator disaster: a huge first year, a lifestyle to match, and then a tax bill in April for money already spent. The IRS does not care that it's gone.

You'll also get tax forms from the platforms and brands that paid you — a 1099-NEC from a sponsor, a 1099-K from a platform or payment processor — and you'll need to reconcile them against your own records. The single rule to remember: *all* of your income is reportable whether or not a form shows up. The 1099-K reporting threshold reverted under OBBBA to the longstanding standard: **\$20,000 in gross payments AND 200 transactions** from a single platform in a calendar year (some states set lower thresholds). Don't treat “I didn't get a form” as “I don't owe tax” — if the money came in, it counts.

2.2 Self-employment tax — the surprise on top of income tax

Self-employed people owe income tax *and* self-employment tax — about 15.3% (Social Security and Medicare) on net business profit, on top of ordinary income tax. That's the employer-plus-employee share of payroll tax you now pay both halves of. (Half of it is deductible, and Chapter 4 covers the S-corp election that can reduce it.) Between federal income tax, self-employment tax, and any state tax, it is realistic for a successful creator to owe 30–40%+ of profit — which is why reserving for it is non-negotiable. At higher incomes a 0.9% Additional Medicare Tax and a 3.8% Net Investment Income Tax can apply on top, one more reason to set your reserve percentage with a CPA rather than guess.

2.3 Quarterly estimated payments

Because no one withholds, the government expects you to pay as you go, in four estimated payments across the year (mid-April, June, September, and January). Skip them and you owe not just the tax but underpayment penalties. A common safe-harbor target is to pay at least 100% of last year's tax (110% if you're a higher earner) or 90% of this year's — confirm the current thresholds — so you avoid penalties even if this year explodes.

2.4 The habit that saves you: reserve off the top

The discipline that prevents the disaster is simple: the moment money comes in, move a fixed percentage — start around 30%, more if you're in a high-tax state — straight into a separate tax-reserve account, and never touch it except to pay the IRS. Treat it as money that was never yours. Creators who do this never face an April surprise; creators who don't, eventually do.

2.5 Do this now — open the tax account

Open a separate high-yield savings account labeled “TAXES.” Pick a reserve percentage (30% is a safe starting point; your CPA will refine it), and move that share of every payment into it the day it arrives. Set calendar reminders for the four estimated-payment dates. This single habit prevents the most common way creators wreck their finances.

TAX	ROUGHLY	NOTE
Federal income tax	Your bracket	Progressive; on taxable profit
Self-employment tax	~15.3% of profit	Both halves of payroll tax; ~half deductible
State income tax	0~13%	Depends where you live
Realistic total reserve	~30–40%+ of profit	Move it off the top, on arrival

AI PROMPT — ESTIMATE MY TAX RESERVE

Context. I'm a self-employed creator estimating taxes. Inputs: my expected net profit, my state, and my filing status [paste].

Output: a rough total tax estimate (income + self-employment + state), the reserve percentage I should pull off the top of every payment, my four estimated-payment amounts and dates, and the safe-harbor target to avoid penalties. Flag that I should confirm current-year figures with a CPA.

Try the free tool. The Baratelli Institute's *Quarterly Estimated Tax Calculator* at baratelliinstitute.com walks you through the four-payment math, the safe-harbor target, and the reserve percentage in three minutes — free, no email required. Use it to size the first reserve transfer, then refine the percentage with your CPA at year-end.

CHAPTER TAKEAWAYS

- **Nothing is withheld.** Every dollar looks like yours; a third isn't.
- **Self-employment tax (~15.3%) is on top of income tax.** Plan for 30–40%+ total.
- **Pay quarterly estimates.** Skipping them adds penalties to the bill.
- **Reserve off the top.** A separate tax account is the habit that saves creators.

CASEY LIN · CHAPTER 2 · THE TAX BOMB

Casey's first big year brings roughly \$400,000 and no withholding — and Casey spends most of it. The following April the bill is over \$120,000 and the money is gone. The fix going forward is brutal but simple: a separate tax account, 35% swept off every payment on arrival, and quarterly estimates on the calendar. The surprise never happens again.

Continue: Chapter 3 – Pay Yourself Like an Employee.

CHAPTER 3

Pay Yourself Like an Employee

The cure for lumpy income is a boring paycheck. Build the system that turns a viral month and a dead month into the same steady number landing in your personal account.

3.1 Separate business and personal — first, always

Before anything else, the business money and your personal money live in different accounts. A dedicated business checking account (and a business card) for all creator income and expenses does three things at once: it makes taxes and deductions trackable, it protects you if you later form an LLC, and it lets you see what the business actually earns. Commingling — running everything through one personal account — is the habit that makes tax time a nightmare and an audit dangerous.

3.2 The three-account system

A simple structure tames the chaos: an *income* account where everything lands, a *tax* account (Chapter 2) that gets its percentage off the top, and your *personal* account that receives a steady “salary” transfer. Money flows in lumpy, sits in the business, and you pay yourself a consistent amount on a schedule — converting the rollercoaster into a paycheck. A fourth “profit / runway” bucket holds what's left to smooth the slow months and fund the future.

3.3 Set your salary below your average

The trick to a paycheck that survives a bad quarter is to pay yourself *less* than your average month — based on a conservative read of your steadier streams, not your best month ever. The surplus from big months stays in the business to cover the lean ones. Most creators do the opposite: they spend to the level of their best month and panic when it doesn't repeat. Pay yourself like a cautious employer would.

3.4 Hold a bigger cash cushion than normal people do

Standard advice says keep three to six months of expenses in cash. A creator, with lumpy and fragile income, should hold more — closer to six to twelve months — because a single platform change can pause a major stream with no notice. That cushion is not idle money; it is what lets you keep paying yourself a steady salary, and keep making good content, through a slump that would force a panicked decision otherwise.

3.5 Do this now — build the flow

Open a business checking account and route all creator income and expenses through it. Set up the flow: income in → tax % to the tax account → a fixed personal “salary” transfer on the 1st and 15th

→ the rest to a profit/runway account. Pick a salary number you can sustain through a slow quarter. Automate the transfers so the system runs without willpower.

ACCOUNT	GETS	PURPOSE
Business income	All creator revenue	See what the business earns; clean taxes
Tax reserve	~30–40% off the top	Never an April surprise
Personal (salary)	A steady scheduled transfer	Your boring, reliable paycheck
Profit / runway	What's left	Smooth slow months; fund the future

AI PROMPT — DESIGN MY PAY-YOURSELF SYSTEM

Context. I'm a creator with lumpy income. Inputs: my income by month over the last year, and my personal monthly expenses [paste]. **Output:** a sustainable monthly “salary” to pay myself (set below average), the account flow with percentages, a target cash-cushion size in months, and how much surplus to leave in the business to smooth slow months.

CHAPTER TAKEAWAYS

- **Separate business and personal money.** First move; protects taxes, deductions, and you.
- **Run a three-account flow.** Income → tax → a steady personal salary, plus a runway bucket.
- **Pay yourself below your average.** The surplus from big months funds the lean ones.
- **Hold 6–12 months of cash.** A platform change shouldn't force a panicked decision.

CASEY LIN · CHAPTER 3 · PAY YOURSELF

Casey sets up a business account, sweeps 35% to taxes, and pays a flat \$9,000 a month into a personal account — well under the average but survivable in a quiet quarter. The rest stays in a runway bucket. For the first time the income feels like a job: the same number lands twice a month, viral or not.

Continue: Chapter 4 — Sole Prop, LLC, or S-Corp?

PART II

Structure and Protect

The structural decisions — the entity that fits your income, the deductions you're missing, and how to get a brand deal right.

4 · Sole Prop, LLC, or S-Corp?

5 · What You Can Actually Deduct

6 · Get the Brand Deal Right

CHAPTER 4

Sole Prop, LLC, or S-Corp?

The right structure saves you real money and real risk; the wrong one costs you fees and headaches for nothing. The answer depends almost entirely on how much you make.

4.1 Where everyone starts: the sole proprietor

If you do nothing, you are a sole proprietor: your creator income flows onto your personal tax return (Schedule C), and you and the business are legally the same person. It's free and simple, and for a creator earning a modest amount, it's fine. Its weaknesses are that it offers no liability protection and no tax flexibility — every dollar of profit is hit with self-employment tax.

4.2 The LLC — liability protection, simple taxes

A single-member LLC is the common next step. Its main benefit is legal: it separates your business from your personal assets, so a business problem is less likely to reach your house and savings. By default an LLC is taxed exactly like a sole proprietor (still Schedule C), so forming one does not by itself change your taxes — it adds a liability shield and professionalism. For many growing creators, the LLC is the right structure for a long time.

4.3 The S-corp election — when it actually saves tax

Once profit is high enough, an LLC (or corporation) can elect *S-corporation* tax treatment, which can cut self-employment tax. The mechanism: you pay yourself a *reasonable salary* (subject to payroll tax) and take the rest as *distributions* (not subject to self-employment tax). The savings are real, but so are the costs — payroll, a separate business return, and more admin — so the election usually only pays off once net profit is comfortably into the low six figures. Elect too early and the costs exceed the savings.

4.4 The loan-out, and the danger of over- or under-structuring

A *loan-out* is the structure entertainers, athletes, and high-earning creators have used for decades. Mechanically: instead of you (the individual) signing brand deals and receiving payment in your own name, your *company* (typically an LLC taxed as an S-corp) signs the contracts and receives the payment. The company then “loans out” your services to the brand for the project. You become an employee of your own company, drawing a salary plus distributions.

Why creators do it: (1) **Tax flexibility.** Because the income lands in the company first, you can time when it pays out to you, deduct business expenses at the entity level, run a retirement plan through it, and split income into salary plus distributions to reduce self-employment tax. (2) **Liability separation.** Brand contracts run against the company, not you personally; a campaign dispute is a corporate matter. (3)

Privacy and professionalism. Contracts list a company name rather than your legal name; big brands prefer signing with a business. **(4) Estate planning.** The company is an asset that survives and can be transferred or inherited; your personal name as a brand cannot.

Why creators get burned: a loan-out adds real costs — a separate business return, payroll, state corporate fees, bookkeeping, and the discipline to actually run payroll. **For the loan-out specifically**, if your net profit is under roughly \$80–100k the added costs eat the savings; under \$50k they wildly exceed them. (A bare S-corp election alone — without a loan-out — can pencil at a lower profit threshold, often around \$40–60k of net profit, because the cost overhead is smaller; see 4.3.) And the IRS scrutinizes loan-outs: the salary you pay yourself must be *reasonable* for the work performed, contracts must actually be in the company's name (not yours signed personally), and the company must function as a real business with its own bank account, books, and decisions. A loan-out you set up but don't operate cleanly is worse than no loan-out at all.

The real lesson cuts both ways: the \$30,000 creator who rushes into an S-corp and a loan-out is burning money on structure they don't need, while the \$300,000 creator still running everything as a bare sole proprietor is overpaying tax and exposed. Match the structure to the income. Revisit as you grow. And when you do form a loan-out, treat it like a real company — because the IRS will.

4.5 Do this now — the structure check

Estimate your annual net profit and have a one-time conversation with a CPA about structure. Rules of thumb to bring: an LLC for liability once you have real income and assets to protect; an S-corp election once net profit is reliably in the low six figures and you can document a reasonable salary. Don't pay for structure you don't need yet — but don't leave real money and risk on the table either. One more thing to raise: if you earn across many states or move (a common creator story), you can pick up multi-state filing obligations — a question worth a CPA conversation before you relocate, not after.

STRUCTURE	LIABILITY SHIELD	TAX EFFECT	BEST WHEN
Sole proprietor	No	SE tax on all profit	Just starting; modest income
Single-member LLC	Yes	Same as sole prop by default	You have income/assets to protect
LLC + S-corp election	Yes	Salary + distributions; less SE tax	Net profit reliably low six figures+
Loan-out company	Yes	Added planning flexibility	High, sustained earnings

AI PROMPT — WHICH STRUCTURE FITS ME

Context. I'm a creator deciding on a business structure. Inputs: my net annual profit, my state, and whether I have assets to protect [paste]. **Output:** whether a sole prop, LLC, or S-corp election fits today, the rough tax savings (or cost) of an S-corp at my income, what a “reasonable salary” might look like, and the questions to bring to a CPA. Note that this is general information, not tax advice.

CHAPTER TAKEAWAYS

- **Sole prop is the free default.** Simple, but no protection and no tax flexibility.
- **An LLC is mainly a liability shield.** By default it doesn't change your taxes.
- **The S-corp election can cut SE tax** via salary + distributions — once profit justifies the cost.
- **Match structure to income.** Don't over-structure small or under-structure big.

CASEY LIN · CHAPTER 4 · STRUCTURE

At \$400,000 of profit, Casey is still a bare sole proprietor — overpaying self-employment tax and personally exposed. The CPA forms an LLC, elects S-corp treatment, sets a defensible reasonable salary with the rest as distributions, and the self-employment-tax savings more than cover the added payroll and filing cost.

Continue: Chapter 5 — What You Can Actually Deduct.

CHAPTER 5

What You Can Actually Deduct

A deduction is a discount on everything you spend to make money. Creators leave thousands on the table by missing real ones — and invite an audit by inventing fake ones.

5.1 The rule: ordinary and necessary

Business expenses are deductible if they are *ordinary and necessary* to your work — common and helpful for a creator in your field. That covers far more than most creators claim, and it directly lowers the profit you pay income *and* self-employment tax on. The discipline is to deduct everything legitimate and nothing fake, and to keep records that prove the difference.

5.2 What creators commonly miss

Real, frequently-missed deductions: cameras, lights, mics, computers, and editing gear; software and subscriptions (editing suites, music licensing, cloud storage, scheduling tools); a portion of your phone and internet; props and materials used in content; business travel and a portion of meals while working; contractor payments to editors and assistants; professional fees (your CPA and attorney); and the home studio. Each one is a discount on money you were spending anyway. One flip side worth knowing: if you sell merch or digital products, you may have to *collect and remit sales tax* — potentially across multiple states — so use a storefront or platform that handles sales-tax collection for you, and flag it for your CPA.

5.3 The home studio

If you use part of your home *regularly and exclusively* for the business — a room that's your studio, not the kitchen table you also eat at — you can deduct a portion of your housing costs, either by the square-footage method or a simplified per-foot rate. The “exclusive use” requirement is strict and frequently failed; a corner of a shared room rarely qualifies. Done right, it's a meaningful deduction; done loosely, it's an audit flag.

5.4 The 20% deduction you might not know about (QBI)

On top of your ordinary business deductions sits one of the biggest breaks the self-employed get: the qualified business income (QBI) deduction under §199A. It can let you deduct up to *20% of your net business income* — entirely separate from, and on top of, the gear-and-software deductions above. A creator with \$150,000 of profit could deduct as much as roughly \$30,000 simply for being a pass-through business. There are income thresholds and phase-outs (and some service businesses face limits at higher incomes), and the 2025 law (OBBBA) made the deduction permanent, so it isn't going away. It's

calculated on your return, not something you “spend” — but it's large enough that you should make sure your CPA is taking it.

5.5 The hobby-loss trap, and documentation

If the IRS decides your channel is a *hobby* rather than a business run for profit, it can disallow your losses. The defense is showing a genuine profit motive — running it businesslike, keeping books, and aiming to make money (the rules look at factors including whether you've turned a profit in some years). And underneath all of it: documentation is the whole game. Keep receipts, log business mileage and the purpose of trips, and separate business spending onto the business card. A deduction you can't substantiate is a deduction you can lose.

5.6 Do this now — start the expense system

Put every business expense on the business card, photograph receipts into an app, and categorize monthly (or have a bookkeeper do it). Set up the home-studio measurement if you qualify. The goal: at tax time your deductions are already captured and substantiated, not reconstructed from memory and a shoebox. Confirm the gray areas (meals, mixed-use items, home office) with your CPA.

DEDUCTION	USUALLY OK	WATCH OUT
Gear, software, subscriptions	Yes, if used for the business	Personal-use portion isn't deductible
Home studio	Yes, if regular & exclusive use	“Exclusive” is strict; shared rooms fail
Travel & some meals	Business purpose, documented	Vacations dressed as shoots
Contractors (editors, etc.)	Yes	Issue 1099s where required
“Content” purchases	If genuinely used to make content	Lifestyle buys aren't deductible

AI PROMPT — FIND MY MISSED DEDUCTIONS

Context. I'm a creator reviewing deductions. Inputs: my business spending categories over the last year [paste], my home/work setup [paste]. **Output:** the legitimate deductions I'm likely missing, the gray-area items to confirm with a CPA, whether my home studio qualifies, and the records I need to keep to substantiate each. Flag anything that looks like an audit risk.

5.7 Accounting software — what to use and when

Pick a tool and stop using a spreadsheet by the time you cross roughly \$50,000 of revenue or hire your first contractor. Standard choices for creators: **QuickBooks Online** (industry standard, every CPA reads

it; tier-priced from entry-level to mid-tier) is the default if you anticipate working with a CPA; **Xero** (cleaner UI, similar tier pricing) is the popular alternative; **Wave** (free for basic accounting, charges for payroll add-ons) works under ~\$50k; **FreshBooks** (tier-priced) is invoicing-first; **Bench** (premium pricing, software-plus-human-bookkeeper) is the right answer if you genuinely won't do data entry. Pricing changes annually; confirm current rates on each vendor's site. *The Baratelli Institute has no commercial relationship with any of these products.* Whichever you pick: connect business bank and card so transactions import automatically, set up a simple chart of accounts (revenue by stream, expenses by category), and reconcile monthly. The win at April is that your CPA gets a clean export, not a shoebox — and the software fee itself is fully deductible.

AI PROMPT — PICK MY ACCOUNTING STACK

Context. I'm a creator at [revenue level] with [income streams] and [team size]. **Output:** a recommendation for accounting software (QuickBooks Online vs. Xero vs. Wave vs. Bench), a simple chart of accounts, the bank/card connections to set up, and a monthly close checklist.

5.8 Inventory costing for merch

If you sell physical merch — hats, hoodies, prints, vinyl, books, anything you hold and ship — the IRS does not let you deduct the full cost of what you bought when you bought it. You deduct the cost of what you actually *sold*. The difference is **inventory**: goods you bought but haven't sold yet sit on your books as an asset, not an expense. When you sell a unit, its cost moves from inventory to **cost of goods sold (COGS)** and reduces taxable profit that month — even if you paid the supplier months earlier.

Cash-method simplification. A small-business exception under IRC §448(c) (inflation-indexed; the gross-receipts ceiling is in the tens of millions and is reset annually — confirm the current-year figure) lets cash-method taxpayers treat inventory as a non-incidental material/supply or follow their book treatment — effectively deducting the cost when paid rather than when sold. Most solo creators qualify and never need to track COGS the way the rest of this section describes. If your gross receipts are well under the ceiling and you file cash-method, ask your CPA whether you can elect the simplification before you build a FIFO tracker.

The mechanics directly affect cash flow and the tax bill. Order \$30,000 of hoodies in November, ship \$5,000 by December 31, and you have \$25,000 of unsold inventory at year-end. Your deductible COGS is \$5,000 — not \$30,000. The remaining \$25,000 is an asset until those units sell. This is the most common merch-tax surprise: \$80,000 of revenue and \$60,000 of cash out the door, yet you owe tax on \$50,000 of profit because most of the cash went into unsold inventory.

Three costing methods exist. **FIFO (first-in, first-out)** assumes the oldest inventory sells first; in rising costs it shows higher profit (higher tax) but matches what creators usually do physically. **Average cost** rolls all units into a weighted-average per-unit cost; simplest to operate. **LIFO** shows lower profit in rising costs but requires an IRS election, is only available to *accrual-method* filers, and is rarely used by creator-sized operations. Most creators use FIFO or average cost. Pick one and apply it consistently — you cannot switch year to year to optimize.

Track inventory at least monthly: units on hand, unit cost, units sold, ending value. A spreadsheet works under \$100k of merch revenue; QuickBooks (or Shopify's built-in inventory) handles it above that. At year-end take a *physical count*, compare to the books, and adjust. Shipping *in* from the supplier is part of inventory cost; shipping *out* to the customer is a separate selling expense (fully deductible when paid). Sales-tax collection on merch is a separate compliance issue — see the multi-state flag earlier in this chapter.

If you sell merch: open an inventory tracking sheet today. Columns: SKU, units bought, unit cost, units sold, units on hand, total inventory value. Update weekly. At month-end, the reduction in inventory value is your COGS for the month. Above \$50,000/year of merch revenue, switch to QuickBooks or Shopify inventory.

AI PROMPT — BUILD MY INVENTORY + COGS SYSTEM

Context. I sell [merch items] at [unit price], buy in lots of [quantity]. Monthly sales: [units]. **Output:** a simple FIFO inventory tracker (columns + formulas), my projected ending inventory value at year-end, an estimate of my COGS this year vs. total cash spent on inventory, and what that means for my tax reserve. Flag the sales-tax-collection trigger if I'm shipping into more than one state.

5.9 Professional fees — every dollar is deductible

One category creators routinely under-claim: the fees you pay the team you build in Chapter 9. **CPA fees, bookkeeping fees, entertainment-industry or IP attorney fees, business-manager fees, and financial-planner fees** tied to your business are ordinary and necessary business expenses and fully deductible. So is the cost of a registered-agent service for your LLC, the state LLC annual fee, payroll-service fees, and continuing-education or trade-conference costs that directly serve the business. The deduction lowers both income tax and self-employment tax — effectively the IRS picks up roughly a third of the bill.

Translation: if your CPA charges \$3,000 a year and your effective rate is 35%, the real cost is closer to \$1,950. Don't treat hiring the team as a luxury; treat it as a tax-subsidized investment in keeping the other dollars you earn. See Chapter 9 for the five-role team (CPA, bookkeeper, IP/entertainment attorney, business manager, financial planner) and when to hire each.

CHAPTER TAKEAWAYS

- **Ordinary and necessary is the test.** A deduction lowers income and SE tax both.
- **Claim what's real; creators miss a lot.** Gear, software, home studio, contractors, travel.
- **The home studio needs regular and exclusive use.** Loose claims are audit flags.
- **Professional fees are fully deductible.** CPA, attorney, bookkeeper, business manager, financial planner — the IRS effectively subsidizes ~a third of every fee.
- **Merch sellers: deduct COGS, not cash spent.** Unsold inventory is an asset; plan the cash gap.
- **Use accounting software by ~\$50k revenue.** Stop using a spreadsheet.
- **Documentation is the whole game.** Unsubstantiated deductions can be lost.

CASEY LIN · CHAPTER 5 · DEDUCTIONS

Casey had been claiming almost nothing, afraid of “doing taxes wrong.” The bookkeeper finds a year of missed deductions — gear, the editing suite, a portion of rent for the studio room, the editor's invoices, business travel — legitimately cutting taxable profit by tens of thousands, all of it documented on the business card and in a receipts app.

Continue: Chapter 6 — Get the Brand Deal Right.

CHAPTER 6

Get the Brand Deal Right

The money is in the contract, not the DM. The terms you don't read — usage, exclusivity, payment timing, who owns the video — are the ones that cost you later.

6.1 Read the terms that actually matter

A brand deal is a contract, and a few terms decide whether it's a good one. *Usage rights*: how, where, and for how long the brand can use your content (and your face) — “perpetual, all media” is worth far more than “30 days, organic only,” and many creators give away the expensive version for free. *Exclusivity*: whether you're barred from working with competitors, and for how long — exclusivity has real value and should be paid for. *Deliverables*: exactly what you owe, so “scope creep” doesn't turn one video into five.

6.2 Get paid — payment terms and the net-60 problem

Brands, especially big ones and the agencies between you, often pay slowly — “net 30,” “net 60,” sometimes worse — meaning your money arrives months after the work. Negotiate the timing (a deposit up front, the balance on delivery), put it in writing, and track invoices like a business. A “kill fee” protects you if the brand cancels after you've started. Cash-flow death by slow payment is a real risk for creators who treat invoicing casually.

6.3 The clauses that bite

Two clauses deserve special attention. The *morality (or “morals”) clause* lets the brand drop you — and sometimes claw back payment — for conduct it dislikes; know how broad it is. And *FTC disclosure* is the law, not a suggestion: paid partnerships must be clearly disclosed (“#ad,” “paid partnership”), and the liability for failing to is real. A contract that demands you hide the sponsorship is a contract asking you to break the rules.

6.4 Protect your own IP

The most overlooked term is ownership: who owns the content you create for the deal? Default to licensing the brand the rights they need for the campaign while *you* retain ownership of your work, rather than signing it all away as “work for hire.” Your videos, your characters, your name and likeness are your assets — the things that will still have value long after the campaign ends. Don't give them away to close a single deal.

6.5 Do this now — build a deal checklist

Make a one-page brand-deal checklist you run on every offer: deliverables and timeline, usage rights and term, exclusivity (and is it paid for), payment amount and *timing*, kill fee, morality clause scope, FTC disclosure, and IP ownership. For anything large or unusual, have a media/entertainment attorney review it. The fee is small against what a bad clause costs.

TERM	PROTECT YOURSELF BY
Usage rights	Limiting scope/term; charging more for broad rights
Exclusivity	Getting paid for it; capping the duration
Payment terms	Deposit up front; written net-terms; tracked invoices
Kill fee	Compensation if the brand cancels mid-project
Morality clause	Knowing how broad it is before signing
IP ownership	Licensing, not assigning; keep your work

AI PROMPT — REVIEW A BRAND-DEAL OFFER

Context. I'm a creator reviewing a sponsorship offer. Inputs: the offer terms or contract [paste]. **Output:** a plain-language read of the key terms (usage, exclusivity, payment timing, kill fee, morality clause, IP), which terms favor the brand and should be negotiated, red flags, and the questions to ask before signing. Note that a large deal warrants an entertainment attorney's review.

CHAPTER TAKEAWAYS

- **The deal lives in the contract.** Usage, exclusivity, and ownership are the value.
- **Get paid on terms.** Deposit up front; track net-30/60 invoices like a business.
- **Mind the morality clause and FTC disclosure.** One can drop you; the other is the law.
- **Keep your IP.** License the brand what it needs; don't sign your work away.

CASEY LIN · CHAPTER 6 · BRAND DEALS

Casey almost signs a “perpetual, all-media, exclusive” deal for a flat fee with net-60 payment and full IP assignment. An entertainment attorney reworks it: a 12-month usage term, paid exclusivity, half up front, and a license instead of an assignment — roughly doubling the deal's real value and keeping Casey's content as Casey's asset.

Continue: Chapter 7 – The Income Won't Last; Plan Like It.

PART III

Build Wealth That Outlasts the Algorithm

Planning for income that won't last forever — diversifying off the platform, funding retirement as your own boss, and building the team before you need it.

7 • The Income Won't Last — Plan Like It

8 • Retirement When You're Your Own Boss

9 • Build the Team Before You Need It

CHAPTER 7

The Income Won't Last — Plan Like It

Every creator believes their peak is the new normal. The ones who keep their money are the ones who assumed it wasn't, and built for the drop before it came.

7.1 The career-arc reality

Creator earnings are rarely a straight line up. Audiences move, platforms change, formats age, and life shifts — most creators have a peak period rather than an ever-rising income. This is not pessimism; it's planning. The athlete who earns most of a lifetime's income in a few years faces the same math, and the answer is the same: treat the peak as the time to build, not the time to inflate your life to match.

7.2 Treat the big year as temporary

The most dangerous belief is that this year's number is the new floor. The disciplined move is to lock in the gains of a peak year — fund retirement (Chapter 8), build the cash cushion, pay down debt, invest — rather than raise your fixed costs to match. Lifestyle is sticky: it's easy to scale up and brutal to scale down. Keep your fixed costs well below your peak income so a normal year, or a slow one, doesn't break you.

7.3 Concentration risk — your version of a single stock

Relying on one platform is the creator equivalent of putting your whole net worth in one company's stock. A demonetization, an algorithm change, a policy strike, or a ban can cut your main income stream overnight, with no appeal. That platform-concentration risk is the central financial danger of the career, and the only real defense is diversification — across platforms and, more importantly, across income types.

7.4 Diversify off the algorithm

Durable creator wealth comes from owning assets the algorithm can't switch off: an email list and audience you control, your own products or courses, licensing and IP, equity in brands you help build, and ordinary investments funded by the business. The goal is to convert rented attention into owned assets and invested capital — so that even if the channel slows, the wealth it built keeps working. A creator who has done this has a business; one who hasn't has a job that can end without notice.

7.5 Do this now — the durability plan

Write down: your fixed monthly costs as a percentage of a *conservative* income (aim to keep them low), your platform-concentration risk (what share of income rides on one platform), and one off-

platform asset to build this year (a list, a product, investing the surplus). Then, in a peak year, default the surplus to building wealth, not lifestyle.

RISK	THE DEFENSE
Believing the peak is permanent	Keep fixed costs below conservative income
One-platform dependence	Diversify across platforms and income types
Demonetization / ban	Own your audience (email, products, IP)
Income simply slowing	Invest peak-year surplus into assets

AI PROMPT — BUILD MY DURABILITY PLAN

Context. I'm a creator planning for income that may not last. Inputs: my income by stream and platform, and my fixed monthly costs [paste]. **Output:** my platform-concentration risk, whether my fixed costs are safe against a conservative income, the highest-priority off-platform asset to build, and how to deploy a peak-year surplus toward durable wealth instead of lifestyle.

CHAPTER TAKEAWAYS

- **Plan for a peak, not a plateau.** Build during the big years; don't inflate your life.
- **Keep fixed costs below conservative income.** Lifestyle scales up easily and down painfully.
- **One platform = single-stock risk.** A ban or algorithm shift can end a stream overnight.
- **Own assets the algorithm can't switch off.** Audience, products, IP, investments.

CASEY LIN · CHAPTER 7 · DURABILITY

At the peak, Casey resists the urge to buy the bigger everything. Instead the surplus funds a retirement account, builds a year of runway, and seeds an email list and a paid course — assets Casey owns outright. When the channel later cools for two quarters, it's an inconvenience, not a crisis.

Continue: Chapter 8 — Retirement When You're Your Own Boss.

CHAPTER 8

Retirement When You're Your Own Boss

No employer is funding your 401(k), so no one will — unless you do. The upside: as your own boss you can shelter far more than an employee can, and a blowout year is the moment to do it.

8.1 Nobody's doing this for you

An employee gets a 401(k) with a match and automatic contributions. You get nothing automatic — which is the bad news and, oddly, the good news. The bad news is that retirement saving is entirely on you and easy to postpone when income is lumpy. The good news is that self-employed retirement accounts let you contribute far more than a typical employee can, turning a big year into a large, tax-deferred head start.

8.2 The Solo 401(k)

For a self-employed creator with no employees, a *Solo 401(k)* is often the most powerful option. You contribute as both “employee” (an elective deferral — **\$24,500 for 2026**, plus an **\$8,000 catch-up at ages 50–59** and a **SECURE 2.0 “super-catch-up” of \$11,250 at ages 60–63**) and “employer” (a percentage of your business profit), which together can reach a total of **~\$72,000 for 2026** (higher with the super-catch-up) — far more than a regular IRA allows. These limits are indexed and change annually — confirm the current-year numbers with your CPA or brokerage. The Solo 401(k) often allows a Roth option and, in a high-income year, shelters a meaningful chunk of profit from tax.

8.3 The SEP-IRA

A *SEP-IRA* is the simpler alternative: easy to open, with contributions of up to about 25% of your net business income, capped at roughly the same **~\$72,000 (2026)** annual limit as the base Solo 401(k). It has less paperwork than a Solo 401(k) and can be funded after year-end, which suits a creator who wants to decide how much to contribute once the year's number is known. It generally lacks the Roth and loan features of a Solo 401(k), but for simplicity it's hard to beat.

8.4 Fund it in the big years

The strategic move is timing: in a high-income year, max the retirement contribution. It does two things at once — builds the wealth that outlasts the channel (Chapter 7) and shelters income at the top of your bracket, when a deduction is worth the most. A creator who funds a self-employed plan hard during peak years can build a large retirement base from just a few strong seasons. Most creators never open one of these accounts at all; opening and funding it is among the highest-value moves in this guide.

8.5 Do this now — open the account

Open a Solo 401(k) or SEP-IRA (a CPA or the brokerage can help you choose), and set a contribution target tied to your profit — funding it hardest in big years. Confirm the current-year contribution limits, since they're indexed and change annually. Don't wait for a “stable” income to start; the lumpy years are exactly when the flexibility helps.

ACCOUNT	ROUGHLY	BEST FOR
Solo 401(k)	Employee deferral + employer % of profit; large total	Max sheltering; Roth/loan options
SEP-IRA	Up to ~25% of net income, to an annual cap	Simplicity; decide after year-end
Roth IRA	Smaller annual limit; after-tax	Lower-income years; tax-free growth
HSA (if eligible)	Triple-tax-advantaged	Pair with a qualifying health plan

AI PROMPT — PICK AND SIZE MY RETIREMENT PLAN

Context. I'm a self-employed creator choosing a retirement account. Inputs: my net business profit, whether I have employees, and whether I want Roth treatment [paste]. **Output:** whether a Solo 401(k) or SEP-IRA fits, a rough contribution I could make this year, the tax it would shelter, and the steps to open it. Note I should confirm current-year limits with a CPA or brokerage.

Try the free tools. Three Baratelli Institute tools at baratelliinstitute.com size the retirement decision for a creator: the *Retirement Readiness* composite shows where your current savings + contribution rate puts you at age 60; the *Roth Conversion Stairstep* walks whether to convert traditional balances to Roth in a low-income year (creators have great Roth-conversion years between viral spikes); and the *RMD Calculator* projects required minimum distributions on traditional balances at retirement. All free, no email required — use them to size your first Solo 401(k) or SEP contribution, then refine with a CPA.

CHAPTER TAKEAWAYS

- **No one funds your retirement but you.** But you can shelter far more than an employee.
- **Solo 401(k):** employee + employer contributions; the biggest shelter for a solo creator.
- **SEP-IRA:** simpler, fundable after year-end, up to ~25% of net income.
- **Max it in big years.** Builds lasting wealth and shelters top-bracket income.

CASEY LIN · CHAPTER 8 · RETIREMENT

In the peak year, Casey opens a Solo 401(k) and funds it to the limit, sheltering a large slice of profit from tax at the top bracket and starting a retirement base from a single strong season — the move Casey, like most creators, had never even known was available.

Continue: Chapter 9 – Build the Team Before You Need It.

CHAPTER 9

Build the Team Before You Need It

You are the talent. You are not supposed to also be the accountant, the lawyer, and the CFO. The right team pays for itself — and the time to hire them is before the crisis, not during it.

9.1 Why a team, and why early

Past a certain income, doing your own books, contracts, and tax planning costs you more than it saves — in money, mistakes, and the time you should be spending creating. The creators who build lasting businesses assemble a small professional team, and they do it *before* a crisis forces it. Hiring a CPA in April with an unfiled, undocumented year is far worse than having had one all along.

9.2 The bookkeeper and the CPA

Two financial roles, often confused. A *bookkeeper* keeps the day-to-day records — categorizing income and expenses, tracking invoices — so your numbers are always clean. A *CPA* handles tax strategy and filing: the entity decision, the quarterly estimates, the retirement-plan choice, and the return itself. The bookkeeper keeps you organized; the CPA keeps you efficient and compliant. For most growing creators, the CPA is the first essential hire and the bookkeeper follows close behind.

9.3 The attorney

A media or entertainment attorney reviews the contracts that matter — big brand deals, platform and management agreements, IP and licensing — and protects the assets that make you money. You don't need one for every \$500 sponsorship, but you do for anything large, unusual, exclusive, or involving your IP. The cost of a review is trivial against the cost of a bad clause you signed because no one read it (Chapter 6).

9.4 Manager versus business manager

Two very different “managers.” A *talent manager* grows your career — deals, strategy, opportunities — usually for a percentage of income. A *business manager* handles your money — bills, budgeting, coordinating the CPA — also often for a percentage or a fee. They are not the same person and shouldn't be: never let the person who books the deals be the only one who also controls the bank account. That separation, and watching the percentages, is basic protection against the financial mismanagement that has ended many entertainment careers.

9.5 Do this now — the hiring map

List the team you have and the team you need: CPA (usually first), bookkeeper, entertainment/IP attorney, and — at higher income — a manager and/or business manager. Hire ahead of the need, check references, understand exactly how each is paid, and keep a separation between whoever earns the money and whoever controls it. The team is an investment that compounds, not a cost.

ROLE	DOES	HIRE WHEN
CPA	Tax strategy, entity, filing	You have real income (often first hire)
Bookkeeper	Day-to-day records	Transactions outgrow your spreadsheet
Entertainment / IP attorney	Reviews big contracts; protects IP	A deal is large, unusual, or IP-heavy
Talent manager	Grows the career	Opportunities exceed your bandwidth
Business manager	Handles the money	Finances are complex; keep separate from talent mgr

AI PROMPT — PLAN MY TEAM BUILD

Context. I'm a creator deciding who to hire. Inputs: my income, how I currently handle books/taxes/contracts, and my biggest pain points [paste]. **Output:** which role to hire first and why, what each should cost (fee vs. percentage), the questions to vet them, and the separation-of-duties safeguards to insist on between whoever earns and whoever controls the money.

CHAPTER TAKEAWAYS

- **You're the talent, not the CFO.** The right team pays for itself.
- **Bookkeeper keeps you organized; CPA keeps you efficient.** The CPA is usually first.
- **An entertainment attorney protects the big deals and your IP.**
- **Separate who earns from who controls the money.** Never the same person alone.

CASEY LIN · CHAPTER 9 · THE TEAM

By the second big year Casey has a CPA, a bookkeeper, and an entertainment attorney on call — and keeps the talent manager who books deals strictly separate from the bookkeeper who tracks the accounts. The fees are a fraction of what the missed deductions, bad clauses, and tax penalties had cost in year one.

Continue: the Starter Checklist — one page to put this guide to work.

BACK OF BOOK

Appendices

The one-page Starter Checklist to put the guide to work, a plain-English glossary of every term, and the full prompt library — the back-of-guide tools that turn reading into doing.

APPENDIX A

The Creator Money Starter Checklist

One page. Twelve moves. If you can check every box, your money is handled like a business. Any box you can't check is your next step.

Print this page. Work down the list. Each item maps to a chapter, so if a box isn't checked you know exactly where to read. You do not need to do all twelve today — but you should know which ones are still open.

#	MOVE	CHAPTER
1	I have a separate business bank account and card for all creator income and expenses.	3
2	I sweep a fixed % (start ~30%) of every payment into a separate TAX account on arrival.	2
3	I pay quarterly estimated taxes (dates on my calendar).	2
4	I pay myself a steady “salary” set below my average month.	3
5	I hold 6–12 months of expenses in cash.	3 / 7
6	I've reviewed my business structure (sole prop / LLC / S-corp) for my income level.	4
7	I track and substantiate my deductions (business card + receipts app).	5
8	I run a checklist on every brand deal (usage, exclusivity, payment, IP).	6
9	I keep ownership of my content and license it to brands, not assign it.	6
10	I know how much of my income rides on one platform — and I'm diversifying.	7
11	I've opened and am funding a self-employed retirement account (Solo 401(k) / SEP-IRA).	8
12	I have (or have a plan to hire) a CPA, and an attorney for big deals.	9

Score yourself honestly. Most creators reading this for the first time check three or four. Getting to twelve is the difference between a popular channel and a durable financial life.

APPENDIX B

Plain-English Glossary

The words your CPA, your attorney, and your contracts use – in language that actually explains them.

A working glossary of the terms in this guide. These are plain-English explanations, not legal definitions; confirm specifics with a professional.

TERM	WHAT IT MEANS
Self-employment tax	The ~15.3% Social Security + Medicare tax you pay on business profit because no employer pays half for you (Ch. 2).
Estimated taxes	The four prepayments of tax you make through the year since nothing is withheld (Ch. 2).
Schedule C	The tax form where a sole proprietor or single-member LLC reports business income and expenses (Ch. 4).
LLC	A legal entity that separates your business from your personal assets; taxed like a sole prop by default (Ch. 4).
S-corp election	A tax choice letting you split income into salary + distributions to reduce self-employment tax (Ch. 4).
Reasonable salary	The defensible wage an S-corp owner must pay themselves before taking distributions (Ch. 4).
Loan-out company	An entertainment-industry company that “loans out” your services and contracts in its name (Ch. 4).
Ordinary and necessary	The standard for a deductible business expense — common and helpful for your work (Ch. 5).
Home-office (studio) deduction	A deduction for space used regularly and exclusively for the business (Ch. 5).
Hobby-loss rule	The IRS rule that can disallow losses if your activity isn't run for profit (Ch. 5).
Usage rights	How, where, and how long a brand may use the content (and you) it paid for (Ch. 6).
Exclusivity	A clause barring you from working with competitors for a period — it has real value (Ch. 6).
Net-30 / net-60	Payment due 30 or 60 days after invoice — why brand money arrives slowly (Ch. 6).
Kill fee	Compensation owed if a brand cancels a project after you've begun (Ch. 6).

TERM	WHAT IT MEANS
Morality clause	A contract term letting a brand drop you for conduct it objects to (Ch. 6).
Work for hire	An arrangement where the buyer owns what you create — avoid it; license instead (Ch. 6).
Platform-concentration risk	The danger of depending on one platform that can demonetize or ban you (Ch. 7).
Solo 401(k)	A self-employed retirement plan allowing employee + employer contributions (Ch. 8).
SEP-IRA	A simple self-employed retirement plan; up to ~25% of net income to an annual cap (Ch. 8).
Business manager	The person who handles your money — kept separate from the talent manager (Ch. 9).

APPENDIX C

The Prompt Library

Every chapter's AI prompt, collected. Paste your real numbers; treat every answer as a first draft to take to a real CPA or attorney — never as advice.

Each chapter includes an AI prompt for the task it covers. They're gathered here as a quick-start kit. Two standing rules: paste only information you're comfortable using, and treat every output as a draft to be checked by a qualified professional — this guide and these prompts are general information, not tax, legal, or financial advice.

- **Map my creator business** — turn your platforms and payouts into a revenue map with reliability flags (Ch. 1).
- **Estimate my tax reserve** — rough total tax, the % to sweep off the top, and your quarterly amounts (Ch. 2).
- **Design my pay-yourself system** — a sustainable salary, the account flow, and a cash-cushion target (Ch. 3).
- **Which structure fits me** — sole prop vs. LLC vs. S-corp at your income, and the questions for a CPA (Ch. 4).
- **Find my missed deductions** — legitimate deductions you're missing and the records to keep (Ch. 5).
- **Review a brand-deal offer** — a plain-language read of the terms and what to negotiate (Ch. 6).
- **Build my durability plan** — platform-concentration risk and the off-platform asset to build (Ch. 7).
- **Pick and size my retirement plan** — Solo 401(k) vs. SEP-IRA and a contribution target (Ch. 8).
- **Plan my team build** — who to hire first, what it should cost, and the safeguards to insist on (Ch. 9).

ABOUT THE INSTITUTE

Who made this, and why it's free

The Baratelli Institute is a reference library for people doing hard financial work without a true peer to check their thinking — founders, family offices, professionals, and the advisors who serve them. Its guides are written to be that peer, under the banner the Institute calls *Mentoring at Scale*. It was founded by **Philip A. Baratelli, CPA, MBA**, who writes each guide from the seat that owns the outcome rather than the seat that sells into it.

This guide is free because creators are where the old advice fails hardest: the income is real, the complexity is real, and almost no one explains it in language that respects both. If it helped, share it with another creator — and if you want to go deeper, the next step is below.

While you're at it, check out the **free tool library** at baratelliinstitute.com. A few that pair directly with this guide: for the creator running quarterly taxes, the *Quarterly Estimated Tax Calculator*; for the creator approaching a channel or brand sale, the *Liquidity Event Simulator*; for the creator with a high-income year and traditional retirement balances, the *Roth Conversion Stairstep*. The full library includes the NIL Reasonable Comp Calculator, the Trust Selector, the Three-Statement Builder, and dozens more — all free, all browser-based, no email required. They pair with this guide the same way the back-of-book Starter Checklist does: read the page, run the math.

A NOTE ON THE NUMBERS

Tax rates, contribution limits, and thresholds are indexed and change every year, and your situation is your own. Everything here is general information to make you a sharper client — not a substitute for your own CPA and attorney. Confirm the current-year figures before you act.

WHAT'S NEXT

You've got the playbook. Here's how to go further.

This free guide covers the moves every earning creator should make. When your business gets bigger — bigger deals, a team, the question of one day selling the channel — the decisions get bigger too. That's what the Institute's paid guides are for.

Keep this guide	It's free. Keep it, use the Starter Checklist, and send it to any creator who needs it — the whole file, or point them to baratelliinstitute.com for their own copy.
Go deeper	The forthcoming <i>Creators' Wealth Playbook</i> takes it further: advanced entity and loan-out structures, valuing and selling a channel or brand, equity in the brands you help build, multi-state and international income, and building the full team.
Explore the library	If your money question is bigger than the channel — a windfall, a sale, an estate — the Institute's guides on liquidity events, wealth psychology, and estate planning are written in the same voice as this one.

THE ONE TEST BEHIND ALL OF IT

Does this make my money more secure and my business more durable?

If yes, do it. If you can't answer yes, it can wait. That test will outlast any single platform — and so, if you use this, will you.

START TODAY

Pick one box on the Starter Checklist and do it before you close this file. Open the tax account, set the salary, review one brand deal. Momentum on this compounds exactly the way an audience does — one small, consistent move at a time.

— *Phil Baratelli*

Get more free guides and the full library at baratelliinstitute.com

ALSO FROM THE INSTITUTE

Decide. Act. Now.

For when you've read enough and it's time to do the thing.

Decide. Act. Now. is the Institute's standalone field manual for moving on the decision you've been circling. It pairs with every Baratelli Institute guide: the thinking is in the guides, the doing is in DAN. 57 builders, 150 pages, plain language. \$49 at baratelliinstitute.com/guide-dan.

OTHER BARATELLI INSTITUTE GUIDES

When the creator question becomes a bigger question

Same voice. Same discipline. Different decision.

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Wealth Psychology Decoded	For when the money outruns the operator — the behavioral discipline behind holding on to wealth instead of giving it back to the market.
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First Principles of Master Investing	The discipline behind Buffett, Munger, and Ackman — how to read a business as an owner, not a ticker.
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