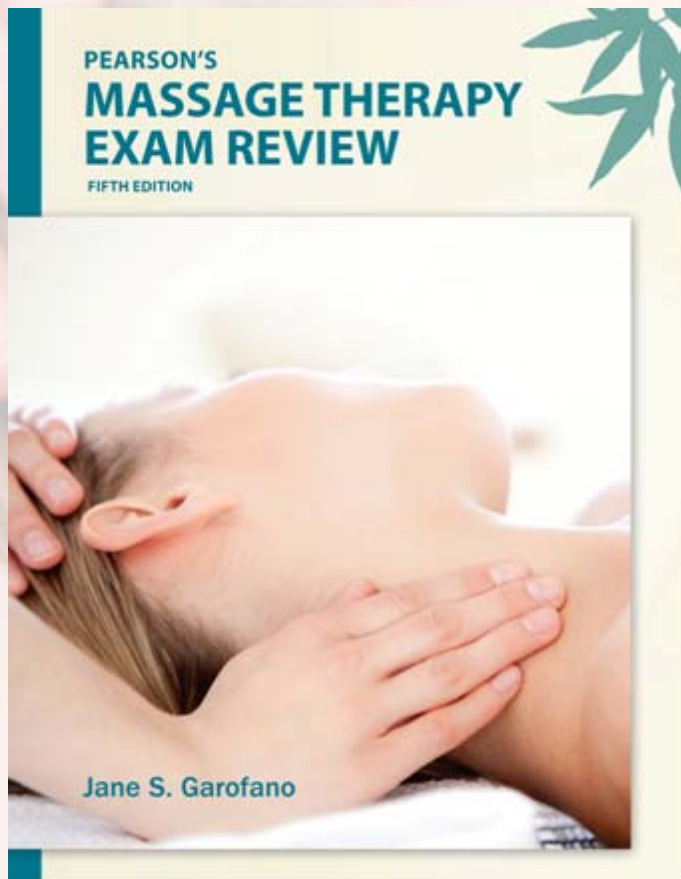


PEARSON'S MASSAGE THERAPY EXAM REVIEW

FIFTH EDITION



Business

Business

- A massage therapist “also” has to be a/an
 - Business person
 - Owner
 - Bookkeeper
 - Manager
 - Advertiser

Success

- Is based on
 - Self-esteem
 - Positive attitude
 - Enthusiasm
 - Reputation
 - Professionalism

Business Ethics

- Practice professional code of ethics
- Standards of acceptable and professional behavior to conduct good business

Business Ethics

- Setting up fees
 - Based on
 - Where practitioner lives (city, state)
 - Whether practitioner works alone
 - Whether partners are involved
 - Whether practitioner works for someone else
- Bookkeeping: keep accurate records

Planning the Business

- State mission
 - Focus of interest of the business “public image”
- Purpose
 - “Theme” of your idea

Planning the Business

- Goals
 - What practitioner wants to accomplish
 - Support your mission and purpose
 - 1 year, 5 years, long term
 - Be realistic, specific, attainable
 - Example: Full/PT business, number of clients each week, time schedule, setup, fees, profit

Beginning a Business

- To decide to work for someone else, oneself, or both
- Oneself—in own home, rent or buy facility
- Someone else—spa, salon, doctor, hotel, hospital, ship, gym, etc.

PROJECTED INCOME

Source	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Massage fees												
Tips												
Miscellaneous												
Monthly Totals												

PROJECTED EXPENSES

Expense	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Loan payment												
Rent												
Phone												
Utilities												
Bank fees												
Linen service												
Cleaning												
Bookkeeper												
Insurance												
Memberships												
Continuing Education												
Business travel												
Estimated taxes												
Salary draw												
Miscellaneous												
Monthly Totals												

Sample Budget Spreadsheet Form for First Year of Business

Types of Business Operations

- Sole proprietor
 - Individual owner, own expenses, liabilities and assets—all business obligations are practitioner's own including tax responsibilities
- Partnership
 - Investment and profit shared—need clear agreement

Types of Business Operations

- Corporation
 - Must be obtained from state—name, board of directors, stockholders
 - Not liable
- Limited Liability Company (LLC)—
between corporation and partnership
- All need insurance

To Start Up

- Rent/lease—plus security
- Utilities—(hookup, deposits) gas, electric, phone
- Equipment/supplies—table, linens, bolsters, oil
- Furniture—desk, chair, file, lighting, music
- Decorating—paint, drapes, plants

To Start Up

- Office supplies—computer, copier, pens, etc.
- Advertising—cards, brochure, printing, ads, stationery
- Insurance
- Bank account—separate, checks
- Business location—home office, rent/lease, purchase



Robin Jones

Licensed Massage Therapist

*Specializing in relaxation,
rejuvenation & pain
management
By appointment only*

567 Main Street, Washington, Illinois 65432

robin_jones@computer.com

(123) 456-7890

Sample of a Business Card Design

To Start Up

- License and permits
- Name—filing at county clerk's office
- Business permits—town zoning, restrictions
- Massage license—usually state, if needed

To Start Up

- Employer ID (EIN), federal tax ID#
 - Contact IRS—needed if partnership or have employees
- Safety permit—comply with town and fire
- Planning/zoning permit—town board

Protecting the Business

- Malpractice insurance
 - AMTA, ABMP, *Massage* magazine
- Liability insurance
 - Homeowner's or from landlord; otherwise, must get
- Fire and theft
 - Landlord may cover; good idea to get own

Physical Layout/Floor Plan

- Plan for convenience, comfort, economy, and efficiency of operation
 - Need access
 - Reception area
 - Consultation area
 - Restroom
 - Proper lighting
 - Proper furniture and equipment

Marketing

- Promotional, discounts
- Referrals
- Business card: include name, title, phone, email, modalities, appropriate design and appointment only, Web address
- Advertising, doctors' offices, post office, holistic news
- Public relations

Green Space Massage Therapy

For Relaxation, Rejuvenation & Therapeutic Benefits

Licensed massage therapists



- Swedish massage
- Sports massage
- Shiatsu
- Reflexology

432 Grove Ave.

Green Space, MI 23456

Call for an appointment: 321-654-7895

Massage Therapy Advertising Should Convey a Professional Image

Self-Employed or Independent Contractor

- Own work schedule, fees, supplies, taxes.
- Rent space and operate business within another business (salon, gym, nutrition)

Self-Employed or Independent Contractor

- Work in home: great financial benefits; e.g.- no rent
 - Tax benefits—home office, business expense
 - Check with town zoning laws
- Work in private office—alone; own reception
 - Co-op office—with other MTs

Self-Employed or Independent Contractor

- Out calls only
- Work in space of large business—e.g. salon, spa, chiropractor, gym (need contract/terms of agreement)
 - Advantage—reception, partial rent, own hours

Taxes

- W-2—by employee
- 1099—independent contractor
- Schedule K-1 (partner)
- 1040—individual

Taxes

- 1040-ES—self employed
- Schedule C—sole
- Schedule SE
- Year-end wage and tax statement; submit with 1040

Taxes

- Year-end wage and tax statement more than \$600 income
- Year-end wage and tax statement = to W-2
- Year-end tax form
- Estimated quarterly tax
- Business profit and loss for year
- Self-employment tax form attached to 1040