



# Small-Business Tax Preparation Checklist

## Personal and Small-Business Records

	<p><b>Personal Records</b></p> <p>You'll need the full legal names, SSNs, addresses, percent ownership, ownership acquisition date and distribution details for you, your spouse, any dependents and any other business owners.</p>
	<p><b>Last Year's Federal and State Tax Returns</b></p> <p>Gather both personal and small-business returns.</p>
	<p><b>Current Financial Statements and Bookkeeping Records</b></p> <p>This includes journal entries, profit and loss statements, balance sheets, etc.</p>
	<p><b>Income Records</b></p> <p>You need all 1099 forms plus W-2s from your spouse (if applicable).</p>
	<p><b>Estimated Tax Payments</b></p> <p>Gather all paperwork related to tax payments made during year, including state, federal, property, etc.</p>
	<p><b>General Ledger</b></p> <p>Your ledger should list out contents of every expense category you plan to deduct from your small-business tax return.</p>

## Itemized Business Expense Records

	<p><b>General Business Expenses</b></p> <p>Keep receipts for all business-related expenses you plan to deduct (itemize by category, vendor name, date, amount, etc.). Examples of common business-expense categories:</p> <table><tr><td>Meals and entertainment</td><td>Office supplies</td></tr><tr><td>Travel (hotel, airfare, transportation, etc.)</td><td>Internet and cell phone</td></tr><tr><td>Advertising (business cards, website, ads, etc.)</td><td>Bank fees</td></tr><tr><td>Legal and accounting fees</td><td>Business loan interest</td></tr><tr><td>Business insurance</td><td>Equipment, storage and office rent</td></tr><tr><td>Tax, business license and permit fees</td><td></td></tr></table>	Meals and entertainment	Office supplies	Travel (hotel, airfare, transportation, etc.)	Internet and cell phone	Advertising (business cards, website, ads, etc.)	Bank fees	Legal and accounting fees	Business loan interest	Business insurance	Equipment, storage and office rent	Tax, business license and permit fees	
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	<p><b>Home Office Deduction</b></p> <p>If you work out of your home, there are many tax deductions you can take advantage of. The following are examples of expenses you can report on Form 8829, which is attached to Schedule C of your 1040:</p> <table><tr><td>Square footage of the home</td><td>Homeowner's/renter's insurance</td></tr><tr><td>Square footage of the office space</td><td>Form 1098s for mortgage interest</td></tr><tr><td>Utilities plus repairs</td><td>Property taxes</td></tr></table>	Square footage of the home	Homeowner's/renter's insurance	Square footage of the office space	Form 1098s for mortgage interest	Utilities plus repairs	Property taxes						
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	<p><b>Vehicle Deduction</b></p> <p>If you use your car for business, keep a logbook of your mileage for business use. You cannot deduct the following business-related expenses without a logbook and itemized receipts:</p> <table><tr><td>Fuel and oil costs</td><td>Parking fees and toll charges</td></tr><tr><td>Lease payments</td><td>Repair and maintenance fees</td></tr><tr><td>Insurance and tax payments</td><td></td></tr></table>	Fuel and oil costs	Parking fees and toll charges	Lease payments	Repair and maintenance fees	Insurance and tax payments							
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	<p><b>Sold or Purchased Assets</b></p> <p>Keep proper documentation of all business-related assets you've bought or sold during the year (purchase orders, invoices, receipts or checks, etc.).</p>
	<p><b>Asset Depreciation</b></p> <p>Keep record of the cost and acquisition date of key business assets along with the sales price and disposition date of assets sold within the calendar year.</p>
	<p><b>Salaries and Wages Paid to Employees</b></p> <p>You'll need copies of W-2 and W-3 forms along with federal and state payroll returns (Form 940).</p>
	<p><b>Commissions to Subcontractors</b></p> <p>You will have to issue a Form 1099-MISC to anyone you paid for services of \$600 or more (installation, bookkeeping, etc.).</p>
	<p><b>Fringe Benefits</b></p> <p>Keep records of any benefits offered to employees. This could include:</p> <ul style="list-style-type: none"> <li>Employer-based pension/profit sharing contributions</li> <li>Employer-paid HSA contributions</li> <li>Employer-paid health insurance premiums</li> </ul>
	<p><b>Self-Employment Expenses</b></p> <p>Keep records of any additional self-employment-related expenses, including:</p> <ul style="list-style-type: none"> <li>Pension plan contributions</li> <li>IRA contributions (Form 5498)</li> <li>Health insurance payments</li> <li>Health Savings Account contributions (Form 5498-SA)</li> <li>Job-hunting and job-related educational expenses</li> </ul>

## Other Expense Records

	<p><b>Charitable Contributions</b></p> <p>Keep a detailed list of donations. You must have receipts for contributions over \$250 and a Form 1023 for vehicle donations.</p>
	<p><b>Health Care Expenses</b></p> <p>Keep records of medical and dental costs.</p>
	<p><b>Alimony Expenses</b></p> <p>Provide ex-spouse's full name and SSN.</p>
	<p><b>Education Expenses</b></p> <p>These include Forms 1098-T (tuition statement and itemized receipts of educational expenses) and 1098-E (student loan interest statement).</p>
	<p><b>Child and Dependent Care Expenses</b></p> <p>Be sure to get the name, address and tax ID or SSN of the provider.</p>