

## **Small Business Owner Tax Checklist**

### **Small Business Income**

- Gross receipts from sales or services
- Sales records (for accrual-based taxpayers)
- Inventory (if applicable)
- Beginning inventory
- Inventory purchases
- Ending inventory
- Items removed for personal purposes
- Returns and allowances
- Business checking/savings account interest (1099-INT or statement)
- Other income

### **Small Business General Documentation**

- Articles of Incorporation
- Partnership Agreement
- Operating Agreement, etc.
- Copy of current period balance sheet
- Income statement
- Trial balance and general ledger
- Prior year financial statements
- List of all business owners including:
  - Name
  - Address
  - Social security numbers
  - Percent of ownership
  - Date ownership acquired
  - Detail of distributions
  - Schedule of owner fringe benefits received
  - Schedule of loans to/from owners including loan agreements
  - Details of any related party transactions
- Copies of all payroll forms and 1099 forms for the year
- Amounts of any estimated tax payments
- Listing of dividend and interest income
- Vehicle information and use, including vehicle leases
- Info on employee benefit, retirement, health insurance plans, etc.
- Details of meals and entertainment expense
- Internal Revenue Service correspondence received during the year
- List of any activities in other states
- Details of fixed assets and depreciation schedules
- A copy of 1-3 previous year's Federal and State tax returns

### **Employment Taxes**

- Federal income tax
- Social Security
- Medicare taxes
- FUTA, self-employment tax

## **Deductions for Small Businesses**

- Home office or business location expenses
- Interest expense
  - Mortgage interest on building owned by business
  - Business loan interest
- Office supplies
- Utilities
- Internet
- Telephone
- Furniture
- Computers and equipment
- Software and publications
- Legal fees
- Automobile mileage
- Travel, meals, entertainment
  - Transportation and travel expenses
  - Airfare or mileage/actual expense if drove
  - Business trip (mileage) log
  - Hotel
  - Meals, tips
  - Taxi, tips
  - Internet connection (hotel, Internet café etc.)
  - Local transportation
  - log or receipts for public transportation, parking, and tolls
- Business gifts
- Insurance premiums
  - Business insurance
  - Casualty loss insurance
  - Errors and omissions
- Retirement contributions
- Advertising
- Commissions paid to subcontractors
- File Form 1099-MISC and 1096 as necessary
- Depreciation
- Cost and acquisition date of assets
- Sales price and disposition date of any assets sold
- Fringe benefits
- Employer-paid pension/profit sharing contributions
- Employer paid HSA contributions
- Employer-paid health insurance premiums
- Cost of other fringe benefits
- Self-employment tax (Social Security)
- Hiring your child

## **Office-in-home**

- Square footage of office space
  - Office square footage for (home office deduction)
  - Total square footage of home (not applicable for daycare business)
  - hours of use for daycare business
  - Mortgage interest or rent paid
  - Utilities

## **Employee and Contract Labor**

- Wages paid to employees
- Form W-2 and W-3
- Federal and state payroll returns (Form 940, etc.)