

Small Business Owner Tax Preparation Checklist

[click to print tax preparation checklist for small businesses](#)

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.)