



KRISTEN *J.* HOOKER
TAX SERVICES

Business Tax Preparation Checklist

If you use a bookkeeping software such a Quickbooks, please provide us with a cash basis Profit and Loss as well as your Balance Sheet. Otherwise, please provide the following information-

Income

- Gross receipts from sales or services
- Sales records for accrual-based taxpayers (accounts receivable)
- Returns and allowances
- Business checking/savings account interest (1099-INT or statement)
- Other income, including rental income, federal and state gasoline or fuel tax credit or refund

Cost of Goods Sold (for businesses that keep inventory)

- Beginning inventory total dollar amount
- Inventory purchases
- Ending inventory total dollar amount
- Items removed for personal purposes
- Materials and supplies

Expenses

Some of these expenses may not apply to you and you may have expenses that are not on this list. If so, please list them separately.

- **Advertising**
- **Phones** (landline, fax or cell phones related to business)
- **Computer & internet expenses**

Transportation and travel expenses

- Local transportation – Did you use your car or truck for business this year? You'll want to include your business mileage as well as your total annual mileage. If you choose to take actual expenses, also include your fuel, repairs, insurance, car washes and registration expenses.
- Travel away from home – You should account for mileage or actual expenses if you drove – or airfare for any flights. Be sure to include costs for hotels; meals and tips; and taxi fares and tips. Remember to include any miscellaneous expenses, such as your internet access (hotel, internet café, etc.).
- **Commissions and fees**
- **Contract labor expenses paid to subcontractors and independent contractors**
- **Asset Purchases (over \$600)**
 - Cost and first date of business use of assets
 - Records relating to personal use of assets
 - Sales price and disposition date of any assets sold
 - Documentation of prior-year depreciation
- **Amortization of intangible assets (e.g., patents or copyrights held)**
- **Business insurance (list auto insurance with auto expenses above)**
 - Casualty loss insurance
 - Workman's Comp
 - Errors and omissions
 - Liability
- **Interest expense**
 - Mortgage interest on building owned by business
 - Business loan interest
 - Investment expense and interest
- **Professional fees**
 - Lawyers, accountants, and consultants
- **Office supplies**

- Pens, paper, staples, and other consumables

- **Rent expense**
 - Office space rent
 - Business-use vehicle lease expense
 - Other
- **Office-in-home**
 - Square footage of office space
 - Total square footage of home
 - Hours of use, if operating an in-home daycare
 - Mortgage interest or rent paid
 - Homeowner's or renters' insurance (only if taking actual expenses)
 - Utilities (only if taking actual expenses)
 - Cost of home, cost of separate improvements and first date of business use (only if taking actual expenses)
- **Wages paid to employees**
- **Employee benefit expenses**
- **Other expenses**
 - Repairs, maintenance of office facility, etc.
 - Estimated tax payments made (including property taxes and sales taxes if applicable)
 - Other business-related expenses
 - Health insurance – Whether you're a sole-proprietor who is covering their family, a partner or you have S corporation shareholders, you'll want to account for premiums paid on behalf of those individuals. Also, you should gather information on your spouse's employer provided insurance if applicable.
- Information about 2021 COVID-19 related grants, economic injury disaster loans (EIDLs), or paycheck protection program (PPP) loans.

If you take care of your own payroll, be sure to complete the following-

- File Form 1099-NEC and Form 1096
- File Form W-2 and Form W-3
- File federal and state payroll returns (Form 940, 941)