

TAX DEDUCTION

Check List

A TO Z

- Advertising & Marketing
- Bank Fees
- Bonus Depreciation
- Business Gifts
- Business Income
- Business Insurance Premiums
- Business Meals
- Business Use of Your Vehicle
- Cleaning Supplies & Janitorial
- Contract Labor
- Cost of Goods Sold
- Depreciation
- Education
- Family & Medical Leave Paid
- Health Insurance
- Healthcare Out-of-pocket
- Home Office
- Interest
- Legal & Professional Fees
- Local Transportation
- Maintenance & Repairs
- Moving Expenses
- Organizational Costs
- Real Estate Losses
- Rent
- Research & Development
- Retirement Plans
- Salaries, Wages & Benefits
- Startup Costs
- Supplies
- Taxes and Licenses
- Telephone & Internet
- Travel
- Website

PLEASE REMEMBER THAT THERE ARE A FEW OTHER DEDUCTIONS YOU MAY QUALIFY FOR BUT PLEASE DON'T WRITE-OFF TOO MUCH



WHAT YOU CAN DEDUCT IN EACH CATEGORY

Advertising

These are expenses that increase brand awareness exposing you and your business to potential future clients. These are things like:

- Branding Expenses (website, logo, photoshoot, etc)
- Brochures, Business Cards, and Printing
- Mailers, Flyers, and Coupons
- Social Media Ads (Google, Facebook, etc)
- Trade Show Expenses (Signage, Expo Fees, Product Samples, Promo Materials, and don't forget travel expenses to the event)
- Print Ads (Newspaper, Magazines, etc)
- Promotional items sent to clients (see "Gifts" Section)

Bank Fees

Any fees you pay on business accounts or to merchant services like Square, Stripe, or PayPal are all expenses that can be deducted.

Business Travel

If you travel to meet a client, to shoot an event, or to attend training or a trade show these travel expenses are deductible:

- Transportation (Uber, Airfare, Train, Taxi, etc)
- Lodging
- Meals (see Meals)
- Mileage (see Mileage)



Contract Labor

Contracted labor happens anytime you pay someone for a service who is also self-employed. If you hire someone for things like:

- Virtual Assistant
- Bookkeeper
- Coaching
- Social Media Manager

BONUS TIP

Make sure that contractors complete a W-9 before they start work so that you are compliant.

Cost of Goods Sold

Any costs you incur to make a sale. For example, if you sell candles to a client, your cost of the wax, candle holder, and fragrance are your cost of goods.

Other types of cost of goods could be:

- Picture Frames
- T-Shirts

Insurance

All business related insurances are a deductible expense:

- Liability Insurance
- Property Insurance
- Income Insurance
- Workers' Compensation Insurance



Interest

Interest on any business accounts is a deductible expense like:

- Business Loan
- Business Credit Card
- Business Vehicle

Licenses & Taxes

Any licenses, entity filings or state taxes for limited liability companies are deductible.

- DBA, LLC or S-Corp Filings
- State License if required
- State Vendor License
- LLC State Taxes

Legal & Professional

Any fees paid for legal or professional services like:

- Accountant
- Legal Fees
- Consulting
- Association or Membership Dues



Mileage

You can deduct all business mileage put on your personal vehicle for business purposes. This includes things like travel to:

- Meet a client
- Drop of packages that need to be mailed
- Attend a trade show
- Check your PO Box
- The store to pick up equipment or supplies

Meals

You can deduct 50% of meals, however, they have to be business meals. This means you are meeting a client, contractor, or vendor for a meal to discuss business.

Office Expenses

Anything you purchase for your office space or things you need to run the backend of your business.

These can be things such as:

- Computers, printers, etc.
- Office Furniture
- Office Phone \ Cell Phone
- All business apps
- Presets Templates
- Forum or magazine subscriptions
- Website Hosting & Email server



Rent

Anything that you rent for business purposes is a deductible expense.

These can be things like:

- Equipment Rent
- Location Rental
- Storage Rent

Supplies & Equipment

- Supplies & Equipment
- Computers & Printers
- Camera, Lenses & Accessories
- Lighting
- Ink & Paper

Training & Education

Anything you purchase to learn and grow your business.

This includes things like:

- Conferences (including Business Travel)
- Workshops & Classes
- Online Courses & Training



Utilities

If you rent an office or a store space, you can deduct all utilities paid for that space.

If you operate from a home office see "Home Office Deduction" (BELOW).

Home Office Deduction

This is a VERY SPECIAL deduction that many businesses overlook. If you have a designated area of your home that you use primarily for your business then you may be able to take the home office deduction. The home office deduction lets you deduc Interest, Rent, & Utilities.

Direct

- *Expenses*
- *Utilities*
- *Repairs*
- *Camera, Lenses & Accessories*
- *Lighting*
- *Ink & Paper*

Indirect Expenses

- *Mortgage Interests*
- *Homeowner's Insurance*
- *Property Tax*
- *Rent*

WHAT DOCUMENTS DO I NEED TO FILE TAXES?

SOURCES OF INCOME

Many of these forms won't be needed to file taxes every year. For example, you will only receive the investment forms you may need to file your taxes if you had distributions or other activity.

Employed

- Forms W-2

Unemployed

- Unemployment (1099-G)

Self-Employed

- Forms 1099, Schedules K-1, income records to verify amounts not reported on 1099-MISC or 1099-NEC
- Self-Employed
- Records of all expenses — check registers or credit card statements, and receipts
- Business-use asset information (cost, date placed in service, etc.) for depreciation
- Office in home information, if applicable
- Record of estimated tax payments made (Form 1040-ES)

WHAT DOCUMENTS DO I NEED TO FILE TAXES?

SOURCES OF INCOME

Rental Income

- Rental asset information (cost, date placed in service, etc.) for depreciation
- Record of estimated tax payments made (Form 1040-ES)

Retirement Income

- Pension/IRA/annuity income (1099-R)
- Traditional IRA basis (i.e., amounts you contributed to the IRA that were already taxed)
- Social security/RRB income: SSA-1099, RRB- 1099

WHAT DOCUMENTS DO I NEED TO FILE TAXES?

SOURCES OF INCOME

Savings & Investments or Dividends

- Interest, dividend income (1099-INT, 1099-OID, 1099-DIV)
- Income from sales of stock or other property (1099-B, 1099-S)
- Dates of acquisition and records of your cost or other basis in property you sold (if basis is not reported on 1099-B)
- Health Savings Account and long-term care reimbursements (1099-SA or 1099-LTC)
- Expenses related to your investments
- Record of estimated tax payments made (Form 1040-ES)
- Transactions involving cryptocurrency (Virtual currency)

WHAT DOCUMENTS DO I NEED TO FILE TAXES?

SOURCES OF INCOME

Other Income & Losses

- Payment Card and Third Party Network Transactions - 1099-K
- Gambling income (W-2G or records showing income, as well as expense records)
- Jury duty records
- Hobby income and expenses
- Prizes and awards
- Trust income
- Royalty Income 1099-MISC
- Any other 1099s received
- Record of alimony paid/received with exspouse's name and SSN
- State tax refund