

Business Checklist for Tax Preparation

Gathering the necessary documents for your small business tax return can be a daunting task. Knowing what information to provide is essential. Here's an outline of the tax-related documents you may need to collect:

Basic Information:

Federal Tax Identification Number

Social Security Number

Previous year's tax return (up to three years for state and federal)

If you're a new client, please provide the following documents:

Copy of your Articles of Organization, Formation, or Incorporation (if available)

Original EIN Issuance Letter (if possible)

Operating Agreement or Shareholder Agreement (if applicable)

S Corp Election confirmation (if previously submitted to the IRS)

2022 Tax Returns and all K-1s (including State(s), if relevant)

Accountable Plan, As Adopted

Bank Routing and Account Numbers (as some states only accept electronic business tax payments)

Shareholder Basis Information:

Paid-in Capital Amounts

Owner Full Legal Names, SSNs, Mailing Addresses, Emails, Phone Numbers, Ownership Percentages

Business Income Taxes:

Accounting journals and ledgers

Balance sheet and income statement

Supporting documents for transactions

Bank deposit slips and statements

Invoices (received and paid)

Checkbook

Credit card statements

Vehicle usage and mileage records

Business Expenses:

Receipts for expenses fall into specific categories:

General office supplies

Recurring operational costs (rent, utilities, subscriptions)

Business-related entertainment and travel expenses

Marketing and advertising costs

Professional service fees (legal, consulting, accounting)

Insurance policy details (individual and group plans, company vehicle policies)

Equipment and assets (including depreciation schedules)

Employment Taxes:

Employee Forms:

W-9 (Employee tax withholding certificate)

I-9 (Verification of employee legal working status)

W-2 (Wage and tax statements for each employee)

1099 (For subcontractors and professional services)

Nonemployee Tax Form:

1099-MISC (Summary of fees and payments for nonemployees)

Home Office Deductions:

The IRS is **extremely** specific and stringent when it comes to home office deductions. To qualify for these deductions, the space you're claiming must be used **exclusively and regularly** for business purposes. The area claimed should serve as the principal place of business or be used for meeting clients or customers.

Square footage of the office space

Total square footage of the home

Mortgage interest or rent paid

Utility bills

Details of insurance policies