

DEFY Tax Preparation Checklist

Small Business / Self-Employed

The D.E.F.Y. Consulting Group wants to take the guess work out of preparing for your *Small Business / Self-Employed* income tax return. Before you submit your tax documents, now would be a good time to reach out to your bookkeeper to make gathering your documents easier. If you don't have one, that's okay because *Doing Everything For Yourself*, doesn't mean you have to do it alone. We make business survival easy! Below, we've provided you with a Small Business/Self-Employed Tax Preparation Checklist to help you get started. Keep in mind, not every category is applicable to you. **HOWEVER...** Please be sure to look over the entire checklist to ensure there wasn't something you missed. If you need assistance completing the checklist or are having trouble, email us now for your free consultation.

BUSINESS INFORMATION
<input type="checkbox"/> You will need your Federal Tax Identification Number/EIN number
<input type="checkbox"/> If you are self-employed you may not have an EIN number. In this case, use your Social Security numbers and dates of birth for you, your spouse, and your dependents (as applicable)
<input type="checkbox"/>
INCOME
Include all income sources from your daily operations as well as investment or supplementary income.
<input type="checkbox"/> Gross receipts from sales or services
<input type="checkbox"/> Sales records for accrual-based taxpayers (accounts receivable)
<input type="checkbox"/> Returns and allowances
<input type="checkbox"/> Business checking/savings account interest (1099-INT or statement)
<input type="checkbox"/> Other income, including rental income, federal and state gasoline or fuel tax credit or refund
<input type="checkbox"/> Gross receipts from sales or services
<input type="checkbox"/>
COST OF GOODS SOLD:
If you produce, purchase, or sell merchandise in your trade or business, you'll need to take your inventory into account at the beginning and end of the year.
<input type="checkbox"/> Beginning inventory total dollar amount
<input type="checkbox"/> Inventory purchases
<input type="checkbox"/> Ending inventory total dollar amount

<input type="checkbox"/> Items removed for personal purposes
<input type="checkbox"/> Materials and supplies
<input type="checkbox"/> Beginning inventory total dollar amount
<input type="checkbox"/>
EXPENSES:
There are so many costs that fall under applicable business expenses. Here are some common expenses, but be sure to capture expenses related specifically to your business.
<input type="checkbox"/> Advertising
<input type="checkbox"/> Phones (landline, fax or cell phones related to business)
<input type="checkbox"/> Computer & internet expenses
<input type="checkbox"/> Transportation and travel expenses
<input type="checkbox"/> Local transportation - Did you take any business trips this year? You'll want to include your mileage along with any car and truck expenses. For public transportation, parking and tolls, you should include your contemporaneous log (recording of transactions as they happen) or receipts.
<input type="checkbox"/> 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.).
<input type="checkbox"/> Commissions and fees
<input type="checkbox"/> Contract labor expenses paid to subcontractors and independent contractors
<input type="checkbox"/> Depreciation
<input type="checkbox"/> Cost and first date of business use of assets
<input type="checkbox"/> Records relating to personal use of assets
<input type="checkbox"/> Sales price and disposition date of any assets sold
<input type="checkbox"/> Documentation of prior-year depreciation
<input type="checkbox"/> Amortization of intangible assets (e.g., patents or copyrights held)
<input type="checkbox"/> Business insurance
<input type="checkbox"/> Casualty loss insurance
<input type="checkbox"/> Errors and omissions
<input type="checkbox"/> Other
<input type="checkbox"/> Interest expense
<input type="checkbox"/> Mortgage interest on building owned by business
<input type="checkbox"/> Business loan interest
<input type="checkbox"/> Investment expense and interest
<input type="checkbox"/> Professional fees
<input type="checkbox"/> Lawyers, accountants, and consultants
<input type="checkbox"/> Office supplies
<input type="checkbox"/> Pens, paper, staples, and other consumables
<input type="checkbox"/> Rent expense
<input type="checkbox"/> Office space rent
<input type="checkbox"/> Business-use vehicle lease expense
<input type="checkbox"/> Other
<input type="checkbox"/> Office-in-home

<input type="checkbox"/> Square footage of office space
<input type="checkbox"/> Total square footage of home
<input type="checkbox"/> Hours of use, if operating an in-home daycare
<input type="checkbox"/> Mortgage interest or rent paid
<input type="checkbox"/> Homeowner's or renters' insurance
<input type="checkbox"/> Utilities
<input type="checkbox"/> Cost of home, cost of separate improvements and first date of business use
<input type="checkbox"/> Wages paid to employees
<input type="checkbox"/> Employee benefit expenses
<input type="checkbox"/> Other expenses
<input type="checkbox"/> Repairs, maintenance of office facility, etc.
<input type="checkbox"/> Estimated tax payments made (including property taxes and sales taxes if applicable)
<input type="checkbox"/> Other business-related expenses
<input type="checkbox"/> 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.
<input type="checkbox"/>
OTHER ITEMS TO CONSIDER:
<input type="checkbox"/> Direct deposit information—routing and account numbers
<input type="checkbox"/> Foreign bank account information—location, name of bank, account number, peak value of account during the year
<input type="checkbox"/>

