

Tax Prep Checklist



The documents you need for tax prep depend on your situation

General checklist and self-employed

Income Items

Be sure to include all income sources when creating your small business checklist. This could include income from your day-to-day operations as well as any investment or secondary 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)
- 1099-NEC (independent contractor or professional services work), 1099-K, or W-2 income
- Other income, including rental income, federal and state gasoline or fuel tax credit or refund

Cost of goods sold

Some categories may not apply each tax season, so you should only include what applies for 2022 on your small business tax checklist. 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.

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

Expenses

A wide range of costs can fall under applicable business expenses. Don't miss recording any of these on your small business tax preparation checklist. Our tax pros will help you find each and every deduction you deserve.

- Advertising
- Phones (landline, fax or cell phones related to business)
- Computer & internet expenses
- Transportation and travel expenses
 - 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.
 - Travel away from home – You should account for actual expenses if you drove – or airfare for any flights. There are helpful app-based trackers available so you can keep up while you're on the go. 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

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Expenses, continued

- Depreciation
 - 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
 - Casualty loss insurance
 - Errors and omissions
 - Other
- Interest expense
 - Mortgage interest on building owned by business
 - Business loan interest
 - Investment expense and interest
- Professional fees
 - Lawyers, accountants, and consultants
 - Tax preparers
- 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
 - Utilities
 - Cost of home, cost of separate improvements and first date of business use

- 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.

Tasks that should be completed

Make sure you've completed all related tax issues such as:

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

Other items

Make sure you've gathered related information such as:

- Any financial statements generated by the business such as a balance sheet, profit/loss statement or cash flow statement.
- Completed year-end books
- Information regarding NOL's
- Any information regarding electric vehicle purchases or energy efficient improvements made.
- Any information related to natural disasters such as losses suffered and insurance payments received

Partnerships — Form 1065 →

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Partnerships — Form 1065

Documents

- Copy of the partnership agreement with any amendments
 - If an LLC taxed as a partnership, copies of the LLC operating agreement and articles of organization
- List of federal and state tax employer identification numbers (EINs)
- Last year's Form 1065 and Schedules K-1 and any state or local returns

Partner information

- Name, address and SSN/EIN of each partner during the year
- Each partner's ownership percentage including their profit and loss percentage if different
- Information regarding capital contributions, distributions or other financial transactions involving a partner
- Information regarding:
 - each partner's share of liabilities
 - guaranteed payments made to any partner
 - any insurance plan provided to any partner
 - any liquidating payments made to any partner
 - including the addition or loss of partners
 - any change in ownership percentages

S Corporations — Form 1120S →
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S Corporations — Form 1120S

Documents

- IRS acceptance letter of S election or previously filed Form 2553
- A copy of the business' bylaws and articles of incorporation
 - If an LLC taxed as an S corporation, copies of the LLC articles of organization and operating agreement
- List of federal and state employer identification numbers (EINs)
- If the corporation used to be a C corporation, any information carried over after converting to an S corporation
- Last year's Form 1120S and Schedules K-1 and any state or local returns

Shareholder information

- Name, address and SSN/EIN of all shareholders during the year
- The number of shares that each shareholder owns
- Information regarding any:
 - capital contributions, distributions or loans to shareholders.
 - reasonable compensation paid to any employee/shareholder
 - insurance plan provided to any shareholder
 - changes in ownership throughout the year

C Corporations — Form 1120 →
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C Corporations — Form 1120

Documents and Other information

- Articles of Incorporation and bylaws
 - If an LLC taxed as a C corporation, copies of the articles of organization and operating agreement
- Form 8832 if the entity has chosen to be taxed as a C corporation using the check-the-box regulations
- List of federal and state employer identification numbers (EINs)
- Any granted credit certificates
- Last year's Form 1120 including any schedules of carryover losses, deductions or credits from prior years and any state or local returns
- Information regarding any dividends paid or received
- Information regarding the corporation's accumulated earnings account
- Information regarding any business reorganization or change in ownership that happened during the year

Shareholder information

- Information about any shareholder owning 20% or more of the company's stock
- Information regarding the number of shares outstanding
- Information regarding any distributions of cash or property to shareholders