

# 2020 Tax Preparation Checklist

## Small Business Taxes



### Income

- Gross receipts from sales, services or bank statements
- PPP Loans/Grants Received, EIDL/SBA Loans Received
- Sales records

#### Inventory (if applicable)

- Beginning inventory at cost
- Inventory purchases
- Ending inventory at cost

Items removed for personal purposes

- Returns and allowances
- Business checking/savings account interest (1099-INT or statement)
- Other income

### Expenses

- Advertising

#### Transportation and travel expenses

- Local transportation
- Business trip (mileage) log
- Contemporaneous log or receipts for public transportation, parking and tolls

#### Travel away from home (More than 50 miles)

- Airfare or mileage/actual expense if drove
- Meals, tips
- Taxi, tips     Other
- Internet connection (hotel, Internet café etc.)

### Expenses Cont.

#### Fringe benefits

- Employer-paid pension/profit sharing contributions
- Employer paid HSA contributions
- Employer-paid health insurance premiums
- Cost of other fringe benefits

#### Business insurance

- Casualty loss insurance premium
- Errors and omissions premium
- Other

#### Interest expense

- Mortgage interest on building owned by business
- Business loan interest

- Legal fees – Must be 1099'd

#### Office supplies

- Pens, paper, staples, etc
- Other consumables

#### Rent expense

- Office space rent
- Business-use vehicle lease expense
- Other

**Commissions paid to subcontractors**

- File Form 1099-NEC and 1096 as necessary
- Provide W9s

**Equipment**

- Cost and acquisition date of new assets
- Sales price and disposition date of any assets sold

**Wages paid to employees**

- Form W-2 and W-3
- Federal and state payroll returns (Form 941, etc.)

**Office-in-home (if applicable)**

- Square footage of office space (hours of use for daycare business, only square footage is required for the new standard office-in-home deduction)
- Total square footage of home (not applicable for daycare business)
- Mortgage interest or rent paid
- Utilities

**Other expenses**

- Repairs, maintenance of office facility, etc
- Business Meals / Entertainment
- Software / Internet
- Office phone
- Cell phone
- Professional fees
- Other business related expenses