



220 S. 4th Street • Elkhart, IN • 46516 • Phone 574-298-1634 or 574-849-0788

## 2018 Small-Business Tax Prep Checklist

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*If you are using QuickBooks or some other form of accounting software, we will need either a backup of the files which are complete at the end of 2018, or a profit and loss statement which includes but is not limited to the information below. Please note, the cost of the tax return does not include work which needs to be performed to prepare your taxes. Our normal hourly rate will apply.*

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### Personal and Small-Business Records:

- Personal
  - The following is needed for you, your spouse, any dependents and any other business owners.
    - Full legal names
    - Social Security numbers
    - Addresses
    - Percent ownership
    - Ownership acquisition date and distribution details
- Last year's Federal and State Tax Returns
  - Both personal and small-business returns
- Current financial statements and bookkeeping records
  - Including journal entries, profit and loss statements, balance sheets, etc.
- Income records
  - All 1099 forms plus W-2s from your spouse (if applicable)
- Estimated tax payments
  - All paperwork related to tax payments made during year, including state, federal, property, etc.
- General Ledger
  - Ledger should list out contents of every expense category you plan to deduct from your small-business tax return.

## Income

- Gross receipts from sales or services
- Sales records (for accrual based taxpayers)
- Inventory (if applicable)
  - Beginning inventory
  - Inventory purchases
  - Ending inventory
  - Items removed for personal purposes
- Returns and allowances
- Business checking/savings account interest (1099-INT or statement) and copy of December bank statement
- Other income

## Expenses

Keep receipts for all business-related expenses you plan to deduct. Some examples of common business-expense categories are as follows:

- Advertising (business cards, website, ads, etc.)
- Transportation and travel expenses
  - Local transportation
    - Business trip (mileage) log
    - Log or receipts for public transportation, parking, and tolls
  - Travel away from home
    - Airfare or mileage/actual expense if drove
    - Hotel
    - Meals + tips
    - Taxi + tips
    - Internet connection (hotel, Internet café etc.)
    - Other
- Meals and entertainment
- Tax, business license, and permit fees
- Asset Depreciation
  - Cost and acquisition date of assets and date put into use – a receipt is helpful
  - Sales price and disposition date of any assets sold, damaged, or destroyed
- Self-Employment
  - Pension plan contributions
  - IRA contributions (Form 5498)
  - Health insurance payments
  - Health Savings Account contributions (Form 5498-SA)
  - Job-hunting and job-related educational expenses

## Expenses (continued)

- Commissions paid to subcontractors
  - File Form 1099-MISC and 1096 as necessary
- Fringe benefits
  - Employer-paid pension/profit sharing contributions
  - Employer paid HSA contributions
  - Employer-paid health insurance premiums
  - Cost of other fringe benefits
  - Any health insurance information available
- Business insurance – need copy of document pages of policy
  - Casualty loss insurance
  - Errors and omissions
  - General Liability
  - Auto
  - Umbrella policies
  - Health
  - Owner’s Life Insurance
- Interest expense
  - Mortgage interest on building owned by business
  - Business loan interest – December statement from lending institution
- Bank fees
- Legal and Accounting fees
- Office supplies
  - Pens, paper, staples, etc.
  - Other consumables
  - Computers/equipment/internet
  - Software and publications
  - Telephone
  - Utilities
  - Furniture
- Rent expense
  - Office/Storage rental
  - Equipment rental
  - Business-use vehicle lease expense and interest
- Wages paid to employees
  - Form W-2 and W-3
  - Federal and state payroll returns (Form 940)
- Other expenses
  - Repairs, maintenance of office facility, etc.
  - Other business-related expenses

## Other Expense Records:

- Charitable Contributions
  - Keep a detailed list of donations. You must have receipts for contributions over \$250 and Form 1023 for vehicle donations
- Health Care Expenses
  - Keep records of medical, dental, and vision costs
- Alimony Expenses
  - Provide ex-spouse's full name and Social Security number
- Education Expenses
  - Form 1098-T (tuition statement and itemized receipts of educational expenses)
  - Form 1098-E (student loan interest statement)
- Child and Dependent Care Expenses
  - Be sure to get name, address and Tax ID or Social Security number of the provider

## Home Office Deductions

The following are examples of expenses you can report on Form 8829, which is attached to Schedule C of your 1040:

- Total square footage of home (not applicable for daycare business)
- Square footage of office space (hours of use for daycare business, only square footage is required for the new standard office-in-home deduction)
- Form 1098 for mortgage interest
- Property taxes
- Rent paid
- Utilities plus repairs
- Homeowner's/renter's insurance
- Any "whole house" expenses that can be attributed to the business

## Vehicle Deduction

If you use your car for business, keep a logbook of your mileage for business use. You cannot deduct the following business-related expenses without a logbook and itemized receipts:

- Fuel and oil costs
- Lease payments
- Insurance and tax payments
- Parking fees and toll charges
- Repair and maintenance fees

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*The above checklist is intended to provide generalized financial information designed to educate a broad segment of the public; it does not give personalized tax, investment, legal, or other business and professional advice. There may be additional changes in taxes this year which have yet to be announced, or may not be included in this documentation. You are to review and sign your returns and check for accuracy of information.*

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## Deadline for filing and paying taxes:

The deadline for filing 2018 Business returns is midnight on March 15, 2019.

The March 15 deadline applies to any return or payment normally due on March 15. It also applies to the deadline for requesting a business return tax-filing extension.

Do NOT assume if you put your return in a mailbox on March 15 it will be postmarked on that date, and will be considered timely. If you do not e-file your return, you must take the return into the post office and have it stamped to be confident it will be dated correctly and timely. We do not take any responsibility for timely filing of returns after they leave our office.