



Business Tax Deduction Checklist

Taxpayer _____ Tax Year _____

This checklist is designed to serve as a reminder of items that may be tax deductible. More information will be required to deduct any of the items listed. It is not all-inclusive, as there are a number of additional deductions that may apply depending on individual/business situations. If any of these deductions apply to you, please be prepared to provide additional information or documentation for your tax preparation.

Advertising & Promotion

Cost of designing and a business logo, business cards and marketing materials
Printing costs business cards or marketing brochures
Website design
Social media marketing or other ad space online or in print, Influencer marketing
Being an event sponsor

Bank Fees

Service fees for your business bank account
Service fees for your business credit card
Merchant service processing fees, i.e. Square, Stripe, PayPal, and credit card processing fees

Business Gifts under \$25

Business Insurance

Liability Insurance
Property Insurance
Auto Insurance for company vehicles
Group health, dental, vision, and life insurance for your employees
Workers compensation

Business Meals

100% Deductible meals – i.e. Food & beverage for a company wide holiday party
50% Deductible meals – i.e. Employee travel meals

Business Use of Car

Standard Mileage – Keep log of miles driven for business purposes vs personal use
Actual cost – Keep track of all costs related to operating vehicle
(i.e. fuel, oil, repairs, maintenance, registration, insurance, etc.)

Charitable Donations

Commissions paid

Contract Labor

Payments to individuals you hire to help complete a project or task, not included on payroll
Note: If you pay them more than \$600 during the year, you'll need to issue them a Form 1099

Costs of Goods & Services

Materials & labor used to create your product
Wholesale costs of products purchased to resell
Inventory

Education & Training

Seminars and Training
Classes towards a degree or license
Books & publication subscriptions

Equipment purchases

Generally, items used in business that are expected to last more than 1yr and cost more than \$2,500

Health Insurance Premiums

Owner health insurance
Employee benefit medical insurance premiums

Healthcare Spending Account Contributions

Employer matching HSA contributions

Home Office Expenses

Simplified method - \$5 per square foot of business space, up to 300 square feet
Standard method – Business use portion of actual housing expenses paid during the year
(i.e. rent/mortgage, utilities, property taxes, repairs, etc.)
[Click here for Home Office Deduction Worksheet](#)

Improvements

Improvements to office space
Energy efficient improvements to business property

Interest

Interest paid on business loan or business credit card

Legal & professional fees

Fees paid to lawyer to help establish and register business
Accountant fees for filing business tax returns
Monthly fees paid to business bookkeeper/accountant

Office Supplies

Paper, pens, postage, etc.

Professional Dues

Rent

Payments made for leased office space
Equipment or machine rental

Repairs & Maintenance

Retirement Plan Contributions

SEP IRA, 401(k), etc.

Salaries, Wages & Benefits

Payroll for employees, payroll taxes paid
Employee benefits including paid time off, medical and dental benefits
Employer paid retirement plan matching contributions

_____ **Software Expenses**

_____ **Subscriptions**

_____ **Taxes and Licenses**

Sales tax, payroll tax, property taxes

Business licenses

Permit fees

_____ **Telephone and Internet**

Telephone service to your business office

Business cell phone

_____ **Travel Expenses**

Airplane, train, or bus tickets

Uber, Lyft, and other transportation costs

Hotel stays

Parking and tolls

Rental car & fuel

Meals

_____ **Utilities**

Electric, Gas, Water, etc. at business location

This list is not an exhaustive list of all available deductions, but it gives a great start to what you should be tracking in your business. Deducting business expenses is only possible if the expenses are ordinary and necessary for your business's operation. This includes the costs involved with starting, owning, and operating your business. Your expenses must be relatively normal in your industry and clearly supportive of your for-profit business's fundamental operation. You also need adequate supporting documents and accounting records to provide evidence for the expense itself and its purpose.