Self Employed/Small Business Deduction Checklist

Use our checklist as a guide for gathering your business income and expenses. This list is limited to ordinary deductions, please list any additional industry specific items on the second page.

Gross Income: This may be determined by adding the total deposits made to your business account for the year, 1099's issued to you, or based on your records of payments received. If you are a business that customarily receives tip income, please specify the amount of tips included in your gross income. Gross Income_____ Tips Included In Gross Income_____

Materials Expense: The cost of job materials should be listed separately from other purchases such as tools and equipment. Materials would be the cost of product used in production of goods sold or construction materials related to a specific job or bid, etc.

Materials Total _____

Inventory: **If you are an inventory based business, such as cosmetics, clothing etc., please include the wholesale (your cost) value in dollar amounts below. Inventory cost is not deducted until sold, your ending inventory should include all items purchased that are not yet sold.**

Value of inventory on hand at the beginning of the year _____

Value of inventory purchased during the year   _____

Value of inventory on hand at the end of the year   _____

Expenses:

- ❏ Advertising _____
- ❏ Commissions and Fees _____
- ❏ Contract Labor _____
- ❏ Credit Card Processing Fees
- ❏ Business Insurance _____
- ❏ Interest (credit cards, loans) _____
- ❏ Legal and Professional _____
- ❏ Office Expenses _____
- ❏ Rent or Lease _____
- ❏ Equipment Rental _____
- ❏ Repairs and Maintenance (other than auto) _____
- ❏ Supplies _____
- ❏ Small equipment and tools _____
  *see details below for larger equipment purchases
- ❏ Taxes and Licenses _____
- ❏ Travel _____
- ❏ Meals _____
- ❏ Utilities _____
- ❏ Wages _____
- ❏ Phone _____
- ❏ Internet _____
- ❏ Web Site Design and Hosting _____

Other expenses Please use the space provided at the bottom of this page to list any additional expenses pertaining to your specific type of business. If you are unsure if an item is deductible, list it, your tax professional will help you determine if it is deductible.

Equipment, Furniture and Fixtures:
Larger items expected to last more than one year need to be deducted using the depreciation method. **If you purchased any large items we will need the following information for each item:** A description of the item, the date of purchase, and the total cost.

Automobile Expenses:
You may deduct the number of miles driven for business purposes during the tax year **or** your total actual vehicle expenses. The business mileage rate for 2025 is 70 cents per mile. **Please indicate the following:**
Total miles driven for the year (business and personal combined)_____
Number of miles that were **for business only** _____Once your mileage deduction is calculated your preparer will consult with you to determine which method is best for you, your actual vehicle expenses may be requested at that time.

In Home Office: Certain rules apply in order to qualify for this deduction, your preparer will help you to determine if you may take advantage of this deduction. If so, additional information will be requested.

Additional Information: Please note any additional expenses/comments below
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