

Tax Planning Checklist for Businesses

(To review with your CPA each year)

- Consider retirement contributions – either adding a plan or increasing your contributions to the extent possible.
- Consider the availability of tax credits for Research & Development, Employee Retention, Health Care, Access for Disabled Persons, Work Opportunity, etc.
- Consider the timing of income and expenses at year-end.
- Consider using the “Lower-of-cost-or-market” method of valuing inventory.
- Consider writing off certain capital expenditures rather than depreciating them.
- Ensure you have an adequate basis in your S corporation or partnership.
- If you export, consider using an IC-DISC.
- Implement an “Accountable Plan” to reimbursed business expenses deductible by the company and not taxable wages to the employees.
- Review intercompany transactions – be sure they reconcile.
- Review salaries – Is the owner’s salary reasonable? Does the overall salary total maximize the Qualified Business Income Deduction, if applicable?
- Review your organizational structure, including entity type.
- For accrual basis taxpayers, review your receivables to determine if you can write off as bad debt.
- Review your requirement to file Sales Tax/or State returns by reviewing economic nexus on a state-by-state basis.