



## Maintain Accurate Bookkeeping



- Utilize accounting software (e.g., QuickBooks, Xero) to track income and expenses.
- Regularly reconcile bank statements and categorize transactions.
- Retain all receipts, invoices, and financial documents.
- Consider hiring a professional bookkeeper for accuracy.

## Separate Personal and Business Finances



- Open dedicated business bank and credit card accounts.
- Avoid using personal funds for business expenses and vice versa.
- Pay yourself through formal channels (e.g., salary or owner's draw) based on your business structure.

## Correctly Classify Workers



- Understand the difference between employees and independent contractors.
- Use IRS guidelines or Form SS-8 to determine worker status.
- Provide appropriate tax forms (W-2 for employees, 1099-NEC for contractors).

## Make Timely Estimated Tax Payments



- Calculate and pay quarterly estimated taxes to avoid penalties.
- Mark due dates: April 15, June 15, September 15, and January 15.
- Use IRS Form 1040-ES for guidance.

## Stay Informed on Tax Laws and Deadlines



- Subscribe to IRS updates or consult with a tax professional.
- Be aware of changes in tax laws that may affect your business.
- Ensure timely filing of all required tax forms.

By adhering to this checklist, small business owners can minimize errors, stay compliant, and potentially save money during tax season.