



**SKM FINANCIAL**

STRATEGIES FOR EVERY SEASON OF LIFE

# **SCHEDULE C BUSINESS TAX DEDUCTIONS**

CHECKLIST  
FOR BUSINESS  
TAXPAYERS

**2024**

**252-714-3020**

**[www.skmfinancial.pro](http://www.skmfinancial.pro)**

# Schedule C Preparation Checklist

Welcome to the Schedule C Preparation Checklist, which is provided to you free of charge by SKM Financial. As a business taxpayer, accurately reporting your income and expenses is crucial to ensuring compliance and optimizing your tax situation. This comprehensive checklist is designed to help you confidently gather all the necessary information and documentation for completing Schedule C.

At SKM Financial, we are dedicated to supporting your financial success. This checklist, curated by Sybil Kears, a Licensed Financial Professional and owner of SKM Financial, aims to streamline your tax preparation process. For more resources and personalized financial guidance, visit our website at [www.skmfinancial.pro](http://www.skmfinancial.pro).

We hope you enjoy your gift to help you prepare accurate and efficient Schedule C!

# Checklist for Business Taxpayers Preparing Schedule C

## 1. General business information

- Business name
- Business address
- Employer identification number (EIN), if applicable
- Social Security number (SSN)
- Principal business or profession
- Business code from IRS instructions

## 2. Income information

- Gross receipts or sales
  - Invoices and receipts for sales
  - Form 1099-NEC (nonemployee compensation)
  - Form 1099-K (payment card and third-party network transactions)
  - Other income records (interest, dividends, refunds)

## 3. Cost of goods sold (if applicable)

- Inventory at the beginning of the year
- Purchases less cost of items withdrawn for personal use
- Cost of labor (not including owner's salary)
- Materials and supplies
- Other costs (e.g., freight)
- Inventory at the end of the year

## 4. Home office deduction (if applicable)

- Square footage of the home office
- Total square footage of home
- Direct expenses (office supplies, repairs)
- Indirect expenses (mortgage interest, insurance, utilities, repairs, and depreciation)
- Simplified option: \$5 per square foot up to 300 square feet

## 5. Vehicle information (if applicable)

- Make, model, and year of the vehicle
- Date vehicle was placed in service
- Total miles driven during the year
- Business miles driven
- Commuting miles
- Personal miles

# Checklist for Business Taxpayers Preparing Schedule C

## 6. Prior year tax return

- Last year's tax return (for comparison and carryover purposes)

## 7. Business expenses

- Advertising
  - Online ads, print ads, flyers, business cards, websites etc.
- Car and truck expenses
  - Mileage log **or** actual expenses (gas, repairs, maintenance)
  - Interest on a vehicle loan, if applicable
- Commissions and fees paid out
- Contract labor (records for independent contractors)
- Depreciation and section 179 expenses
  - Depreciation schedule
  - Records of assets purchased and used in the business
- Employee benefits programs
- Insurance (other than health)
- Legal and professional services
- Office expenses (receipts for office supplies and expenses)
- Pension and profit-sharing plans
- Rent or lease payment records rent for business property or equipment
- Repairs and maintenance for business assets or property
- Business supplies
- Taxes and licenses
- Travel, meals, and entertainment (receipts and documentation for business travel and meals)
- Utility bills and payment records for business utilities
- Wages (Payroll records and tax filings)
- Other Miscellaneous business expenses with receipts

## 8. Additional information

- Records of any business loans
- Statements of any business bank accounts
- Credit card statements for business expenses

## 9. Miscellaneous

- Receipts for any other deductible business expenses
- Documentation for any business-related credits claimed