

Small Business Tax Planning Checklist

1) Organize Your Financial Records

- Reconcile bank accounts and credit cards. Don't forget to reconcile your PayPal account!
- Review accounts receivable and accounts payable.
- Gather invoices, receipts, and expense records.
- Ensure payroll records are up to date.

2) Review Income & Expenses

- Accelerate deductible expenses (buy equipment/supplies, or prepay certain expenses).
- Defer income where possible (push invoices to January if cash flow allows).
- Review deductions for home office, vehicles, and travel.

3) Check Retirement Contributions

- Max out contributions to SEP IRAs, Solo 401(k)s, or SIMPLE IRAs.
- Consider year-end profit-sharing contributions.
- Evaluate if retirement plan design changes are needed for 2026.

4) Evaluate Tax Deductions & Credits

- Section 179 deduction for equipment and technology purchases.
- Bonus depreciation eligibility.
- Energy efficiency credits (if applicable).
- R&D credit opportunities for eligible industries.

5) Review Estimated Tax Payments

- Confirm Q4 estimated tax payment (due January 15, 2026).
- Adjust based on income changes from Q4.
- Prevent underpayment penalties.

6) Ensure Compliance with Payroll & 1099s

- Verify employee W-2 information.
- Collect W-9s from contractors/vendors.
- Prepare to issue 1099s by Jan 31, 2026.

7) Consider Entity Structure & Strategy

- Evaluate whether your business entity (LLC, S-Corp, etc.) is still the most tax-efficient.
- Review reasonable compensation for S-Corp owners.
- Discuss potential restructuring with your CPA before year-end.

8) Tax Advantage of Charitable Giving

- Make business charitable contributions before Dec. 31.
- Consider donating appreciated stock or equipment instead of cash.
- Consider setting up a Donor Advised Fund (DAF).

9) Plan for Growth in the Next Year

- Review budgets and cash flow projections for 2026.
- Evaluate major investments or expansions.
- Discuss strategic advisory or CFO services to support scaling.

10) Meet with Your CPA Before Year-End

- Review year-to-date financials.
- Identify additional tax-saving strategies.
- It's never too soon to discuss succession planning for your business!

