

Business Tax Return Document Reference

***NOT an exhaustive list - just for examples!**

Income:

- Gross Total of Income Earned Including, but not limited to:
 - Income from the sale of products or services
 - Shipping Fees, Handling Fees, and Tips Paid to Your Business by Customers
 - Sales Tax Collected From Customers (UNLESS you sell exclusively on Etsy - they handle sales taxes!)
 - Forms 1099-K from Payment Processors (Paypal, Shopify Pay, Stripe, etc)
 - Interest or Cash Back Earned from Business Credit/Debit Cards, Savings, or Investments
 - Prizes or Awards Given to your Business
 - Any Income from Selling Equipment or Vehicles Owned by the Business
- Total of returns and refunds issued to customers

Deductions:

- Total Spent on Advertising, Professional Services, Office Expenses, Supplies, Travel, Software Subscriptions, Selling Fees, or Any Other Ordinary and Necessary Business Expenses
- Totals Paid to Independent Contractors or Employees
- Totals Paid to States for Sales Taxes (UNLESS you sell exclusively on Etsy)
- Totals Paid for Other Licenses or Taxes - Business Licenses, LLC Fees, Payroll Taxes, etc.

If you use a vehicle in your business:

- Mileage Log (REQUIRED by the IRS - I have a template, ask me for it!)
- Vehicle Make, Model, and Year
- Date the Vehicle was Placed Into Service
- Total Amount of Miles Driven for Business Purposes

If you have a space in your home 100% dedicated to your business:

- Address of the Home
- Total Rent Paid for the Year (for Renters) or Total Home Cost (for Owners)
- Date that the Space Started Being Used for Business
- Total of Renters or Homeowners Insurance, Property Taxes, Mortgage Interest, and Utilities Paid for the Year
- Square Footage of the Residence, Including Garage and Basement
- Square Footage of the Dedicated Business Space

If you have physical products (inventory):

- Your Inventory Value on Jan 1 (\$0 if this is your first year in business)
- The Total Value of the Inventory Purchased in the Year (what your business paid for it, NOT it's retail value!)
- The Total Value of Any Items Removed for Gifts, Donations, or Personal Use
- The Total Value of all Inventory Still in your Possession ("on the shelf") or held for you (such as fulfillment by amazon) as of Dec 31

If you have Equipment:

- Date the item was placed into service (or used for business purposes)
- Cost (including any delivery/freight, sales tax, and installation fees)
- Percentage of Business Use
- Date Sold and Amount Sold For (if any equipment was sold)

