

# Business Tax Savings Checklist

Common income exemptions, deductions, credits, and other tax planning strategies to reduce overall Federal Income Tax.

## Entity Classification

- ▶ S-Corporation Election
- ▶ C-Corporation Election
- ▶ Partnership (Passive vs Non-Passive Partners)
- ▶ Foreign Entity Classification (Disregarded Entity, Foreign Partnership, Per Se Corporation or C-Corporation Election)

## Ordinary Expenses & Deferrals

- ▶ Expenditure Increases before the end of the year.
- ▶ Accounting Method Switch (i.e. Cash to Accrual, or Hybrid/Other)
- ▶ Cost Method Switch (i.e. Cost, Lower of Cost or Market, Other Method)
- ▶ Inventory Valuation/Loss
- ▶ Bad Debt Expenses (Accrual Basis Only)
- ▶ Start-Up Expenses
- ▶ Asset Depreciation (Traditional, Section 179 or Bonus)
- ▶ Intangible Asset Amortization
- ▶ Home Office Expenses
- ▶ Business Mileage
- ▶ Net Operating Loss Carry back (Amended Tax Return)

## Capital Gains/Losses

- ▶ Loss Harvesting
- ▶ Installment Sales

## Real Estate Rental

- ▶ Depreciation (Traditional or Accelerated Section 179/Bonus)
- ▶ Cost Segregation
- ▶ Bonus Depreciation for Qualified Improvement Property
- ▶ 1031 (Like Kind) Exchange
- ▶ Opportunity Zone Investment
- ▶ New Energy Efficient Home Section 45L Credit
- ▶ Solar Investment Tax Credit
- ▶ Low-Income Housing Credit

## Foreign Activities

- ▶ Foreign Tax Credits
- ▶ Foreign Corporation Income Deferral
- ▶ Foreign Corporation Check the Box Election (Form 1120/Schedule C)
- ▶ Outsourcing work from Employees to Offshore Contractors or PEO Transition
- ▶ GILTI Section 250 Deduction (C-Corporations)
- ▶ Dividends Received Deduction (C-Corporations)
- ▶ Qualified Dividends from Foreign Subsidiary (S-Corporations)
- ▶ Intercompany Transaction (Transfer Pricing)

## Relocation

- ▶ Move Operations to Lower Tax States or Foreign Country
- ▶ Re-hire Employees to Lower Employment Tax States
- ▶ State Apportionment Planning & Review
- ▶ Moving Expenses

## Employee Benefit Programs

- ▶ Employer Qualified Plan
- ▶ Defined Contribution Plan
- ▶ Defined Benefit Plan
- ▶ Employee Expense Reimbursements
- ▶ Health Coverage Tax Credit
- ▶ Qualified Tuition Programs
- ▶ Fringe Benefits (C-Corporation)
- ▶ Bone Fide Loans

## Net Operating Losses

- ▶ Net Operating Loss Carry forward (Automatic)
- ▶ Net Operating Loss Carry back (Amended Tax Return)

## Business Credits

- ▶ Research & Development Credit
- ▶ Qualified Plug-In Electric Vehicle
- ▶ Employee Retention Credit