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BUSINESS TAX PREPARATION

Sole Proprietor Tax Preparation Checklist

Working for yourself comes with plenty to keep track of. Start with your income and expenses, and we will help you work through the rest.

START HERE

1. Previous business tax schedules
2. Income and expense records
3. Questions about missing or mixed personal and business records

Download and save this PDF first. Tick records you have, skip items that do not apply and add questions on the last page. Save again after making changes, or print and write by hand.

Keep ID numbers, PINs and bank details out of this checklist. We will explain how to share sensitive documents securely.

01 Start with your business

- ☐ Describe each business activity, including when it started, paused, was sold or closed.
- ☐ Bring previous business tax schedules, depreciation schedules and carryforward records.
- ☐ Note how you keep your books, where you operate and any changes in state.
- ☐ List the banks, payment apps and sales platforms you use. Leave account numbers out of this checklist.
- ☐ Tell us about an LLC tax election, a spouse who co-owns the business or anything else that may affect the return type.

02 Money your business received

- ☐ Gather sales reports, invoices and cash-payment records, including income without a tax form.
- ☐ Bring Forms 1099-NEC, 1099-MISC and 1099-K, and payment-platform statements, where issued.
- ☐ Bring any reports matching sales to bank deposits, refunds and payment-processing fees. Let us know if these are not ready.
- ☐ Point out transfers, loans, money you put into the business and personal transactions that are not customer payments.
- ☐ Tell us about duplicate reporting, corrected statements or amounts you dispute.

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03 Business expenses and people you paid

- [ ] Group expense totals by category and keep the supporting receipts or invoices.
- [ ] Separate personal and partly personal costs. Money leaving a bank account is not always a business expense.
- [ ] Gather contractor-payment records, securely stored Forms W-9 and copies of information returns.
- [ ] If you have employees, bring payroll records and payroll returns.
- [ ] Gather records for insurance, rent, software, professional fees, supplies and other operating costs.
- [ ] For business travel and meals, include receipts, dates and the business purpose.

04 Vehicles, home office and stock - if applicable

- [ ] Bring dated business-mileage logs, total annual mileage and vehicle purchase or lease documents.
- [ ] Gather vehicle expenses and any records of the deduction method used in earlier years.
- [ ] For a home-office review, bring workspace and home measurements, how the space is used and household expense records.
- [ ] If you sell goods, gather inventory counts, purchases and cost records.
- [ ] Gather startup costs and expenses paid before the business opened.

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05 Equipment, loans and business changes - if applicable

- [ ] Bring your previous depreciation schedules and a list of business assets you still own.
- [ ] Gather purchase invoices for equipment, vehicles, software and improvements, with the dates you started using them.
- [ ] Include records for assets sold, traded in, disposed of, damaged or lost during the year.
- [ ] Gather loan agreements, year-end balances and statements separating principal repayments from interest.
- [ ] Bring mileage logs and other business-use records. Let us know about any personal use.
- [ ] Tell us about a business purchase, sale, restructure or large one-time transaction, and bring the agreements.

06 Your household and tax payments

- [ ] Use the Individual Tax Preparation Checklist for your household's other income and records.
- [ ] Gather estimated federal and state payment confirmations and records of tax withheld from other income.
- [ ] Bring self-employed health-insurance and retirement-contribution records, if applicable.
- [ ] Tell us about work in other states, overseas activity or unusual transactions so we can agree on what is needed.

07 Before we get started

- [ ] Make a short list of anything missing or being corrected, and when you expect it.
- [ ] Tell us early about tax letters, deadlines or questions from a previous year.
- [ ] We will confirm which returns and states we are handling, including any owner returns or bookkeeping cleanup.
- [ ] Ask us how to share documents securely and confirm who can approve the work.
- [ ] We will explain the next steps for questions, reviewing your return, signatures and filing confirmation.

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Questions and anything still missing

You can contact us before this checklist is complete.

Tax year or period

Questions, missing records or next steps (no sensitive identifiers)

A checked box means you have the record available. This is a general preparation guide; we may ask for additional information for your circumstances. It does not determine tax eligibility or replace individual advice.

Helpful official references

IRS · Business recordkeeping

IRS · Schedule C instructions

IRS · Publication 463, travel, gifts and vehicle expenses

Updated September 27, 2026. Use records and official guidance for the relevant tax year.