

# TAX WRITE-OFF CHEAT SHEET

FOR SMALL BUSINESS



Proactive Advisory Group

ACCOUNTING • TAX • WEALTH



## Every write-off is money that stays in your business

Letting available tax deductions slip through the cracks is no different than cutting a hole in your pockets and letting money fall out onto the floor.

As a small business owner, getting into the habit of tracking expenses and using the tax code to your advantage is the #1 thing you can do to lower your annual tax bill and keep more of your hard-earned profits.

## Using this guide

This cheat sheet outlines common federal tax deductions taken by small businesses. Note that eligibility varies by industry, entity type, and your unique business circumstances.

Use this guide as a starting point and consult your CPA to confirm which write-offs apply to your business.





# Business Transportation

For full or part-time business vehicles

- Fuel
- Maintenance and repairs
- Parking fees
- Highway tolls
- Insurance premiums
- Depreciation or lease payments

## Office Expenses

- Rent or lease for office or business workspace
- Utilities for business premises
- Telephony + internet
- Office supplies
- Office equipment
- Office furniture

## Home Office

To qualify you must have a dedicated space used regularly and exclusively for business purposes, and be self-employed or have income related to the business use of your home.

## Marketing & Advertising



- Online paid advertising
- Print advertising and marketing materials
- Business cards, brochures and signage
- Website design, hosting and maintenance
- Promotional events
- Sponsorships

# Business Meals

## 100% deduction

- Team meals or company-sponsored events
- Certain business-critical meals

## 50% deduction

- Meals with clients or customers for business purposes
- Meals while traveling for business



# Insurance

- General liability
- Commercial property or casualty
- Professional liability or malpractice
- Workers' compensation for employees

# Travel Expenses

For qualifying business trips

- Airfare, train or bus tickets
- Hotel and lodging
- Car rental or taxi/rideshare
- Incidentals

# Interest & Financial Fees

- Interest on business loans or mortgage
- Interest on business credit cards or lines of credit
- Bank account service fees
- Payment processing (merchant) fees



## Employee Wages & Benefits

- Salaries and wages paid to employees
- Employer-paid payroll taxes
- Employee benefit programs, including health care, dental, vision, retirement plans, etc.
- Education and training expenses

## Licenses, Dues & Other Expenses

- Business licenses
- Permit fees
- Professional licensing, certifications and renewals
- Membership dues for professional associations or chambers of commerce
- Subscriptions to business software, apps or trade publications
- Business gifts to clients or partners (deductible up to \$25/recipient per year)
- Property taxes on business real estate or assets
- Depreciation

## Contract Labor + Professional Services



- Payments to independent contractors or freelancers
- Accounting and bookkeeping fees
- Legal fees
- Consulting
- Advisory
- Coaching
- Other professional services



# SECTOR-SPECIFIC WRITE-OFFS

## Professional Services

- Professional licensing and certification fees
- Continuing education, training and seminars
- Specialized software/tools
- Membership dues for industry organizations
- Home office expenses if working from a dedicated space at home

## Retail and Brick & Mortar

- Inventory purchases
- Store or showroom lease
- Utilities
- Retail fixtures and equipment (shelving, registers, displays)
- Retail supplies
- Credit card transaction fees
- Point-of-sale system costs, fees and maintenance
- Shrinkage (inventory lost to theft of spoilage)





## Hospitality

- Food and beverage inventory
- Dining and kitchen supplies
- Restaurant or venue rent/lease
- Utilities for operations
- Equipment and furniture
- Equipment maintenance and repairs
- Point-of-sale and reservation system fees
- Required licenses and permits
- Uniforms and laundry services
- Guest amenities and room supplies

## Manufacturing

- Raw materials and component parts used in production
- Production supplies
- Packaging materials
- Plant facility costs
- Factory utilities
- Machinery and equipment depreciation
- Equipment maintenance and repairs
- Safety and compliance costs
- Quality control
- Product testing
- Shipping and freight for inbound supplies or product delivery
- Warehousing and storage

## Trades/Construction



- Work vehicle expenses
- Tools and equipment
- Equipment rentals
- Construction materials and supplies
- Safety gear and PPE
- Licensing and permit fees
- Payments to subcontractors or temporary labor crews
- Union dues or trade association membership fees



# GET MORE OUT OF YOUR BUSINESS

**Financial  
pain relief is  
coming**

## **Let's start a conversation**

Need help solving your business problems?

Having a conversation is the best way for us to find solutions to get you to where you want to be.

Schedule your complimentary 30-minute video call so we can discuss your goals and the obstacles holding you back.

**We understand  
where you're  
coming from and  
can help you get to  
the other side**

**Call 206.522.0110 or visit  
[proactiveadvisorygroup.com](http://proactiveadvisorygroup.com) to book your  
FREE Discovery Meeting**