

2018 BUSINESS INCOME TAX RETURN CHECKLIST

Below is a checklist of the information we need to complete your 2018 income tax return. We will use the following information as a starting point in calculating your taxes in compliance with current tax laws. Please read and complete this page, as appropriate, to help you organize your information.

GENERAL INFORMATION

BUSINESS NAME: _____
OWNER NAME: _____
CORPORATION TYPE: _____
ADDRESS: _____ CITY: _____ STATE: _____ ZIP: _____
BUSINESS PHONE: _____ FAX: _____
EMAIL: _____

PLEASE INDICATE BUSINESS BACKGROUND / HISTORY

FIRST YEAR - CORPORATION, PARTNERSHIP, S-CORPORATION, LIMITED LIABILITY COMPANY

Please include copies of formation documents (for example, partnership agreements, incorporation documents, articles of formation, franchise agreements).

Also include copies of IRS and State notifications of: Employer Identification Number, acceptance of S-Election (for S-Corporation), sales tax, unemployment compensation, state income tax (as appropriate).

FOR BUSINESSES NOT FORMED OR PURCHASED IN 2018

☒ CORPORATION, PARTNERSHIP, S-CORPORATION, LIMITED LIABILITY COMPANY

Please include copies of up to three prior years income tax returns filed for this business if the business was not formed in 2018.

☐ SOLE PROPRIETORSHIP

Please include copies of up to three prior years personal income tax returns.

BUSINESS RECORDS

Please provide us with the following information so that we can prepare your corporate tax return:

- Either a BACK-UP copy or a copy of your master QuickBooks file. You may email this to mcnairassoc@cfl.rr.com (if less than 10 MB) or upload your file to our digital dropbox at <http://mcnairassocpa.com/ClientDropbox.html>, you can also find out more information by visiting that link. You may also provide us with your QuickBooks file via a FLASH DRIVE or, if you choose, you may instead send us a printout of the following items:
 - ☐ Profit and Loss Statements and Balance Sheet and/or year end General Ledger.
 - ☐ Detail listing of acquisition and disposition of capital purchases (fixed assets).
 - ☐ Documents concerning financial losses from hurricanes and/or other theft or other casualty losses.

IMPORTANT NOTE: While we only need summary information for tax return preparation, the IRS requires that the business owner maintains records to "properly account" for assets, liabilities, revenues, and expenses. Because of the diverse nature of business activity, the actual type of records can vary. The following is a list of the business records that the IRS commonly requests during audits for their review. The length of time you should keep a document depends on the action, expense, or event the document records. For additional information on record retention, log onto www.irs.gov and using their keyword search window type the phrase "How long should I keep records".

- Journals - cash receipts, sales, purchase, etc.
- Accounts receivable, accounts payable and general ledger.
- Bank statements, canceled checks, deposit slips, money market accounts, certificates of deposits.
- Records of all other business activity (for example, loans, insurance proceeds, leases).
- Purchase invoices or closing statements for acquisition and disposition of capital purchases (fixed assets).
- Paid invoices and receipts to verify the expenses claimed.
- Copies of any payroll tax returns, information documents such as Forms 1099 and W-2s filed (for employees).
- Physical inventory sheets for both beginning and ending inventory for the year.

MANUAL PROFIT & LOSS

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This section is **ONLY** for those businesses that do not maintain an automated bookkeeping system that provides a profit and loss statement, balance sheet and bank cash reconciliation of the business checking accounts with the ending balance for the year.

A8 - BUSINESS ASSET PURCHASES & IMPROVEMENTS

Date Purchased	Description	Cost	Date Purchased	Description	Cost
/ /			/ /		
/ /			/ /		

A9 - BUSINESS ASSET SALES & DISPOSITIONS

Date Purchased	Description	Cost	Date Purchased	Description	Cost
/ /			/ /		
/ /			/ /		

A10 - INCOME

Gross Receipts or Sales	
Returns and Allowances	
Cost of Goods Sold (from A11)	
Gross Profit	
Other Income	

A11 - COST OF GOODS SOLD

Inventory at Beginning of Year	
Purchases	
Cost of Labor	
Other Costs	
Inventory at the End of the Year	

A12 - BANK RECONCILIATION

Balance at the beginning of the tax year		Balance at the end of the tax year	
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A13 - EXPENSES



marker indicates payments that may require the issuance of a 1099 if the annual amount you paid to a non-employee individual is \$600 or more. Not issuing 1099s may lead to loss of the deduction for that expense and/or monetary penalties.

Business Expense	Amount	Business Expense	Amount
Advertising		Lease Improvements (Enter these expenses in Section A8)	
Automobile Expenses (list details separately)		Legal & Professional	
Bad Debts		Licenses (list multi-year licenses & permits under "other")	
Business Meals (100%)		Office Expense	
Commissions and Fees		Pension Plan Fees	
Contract Labor		Rent - Equipment	
Dues & Publications		Rent - Other	
Employee Benefit Plans		Repairs	
Employee Health Care Plans		Supplies	
Entertainment (not deductible for federal) (100%)		Taxes - Payroll (Do not include amounts withheld from employees)	
Equipment - \$200 or less per item		Taxes - Sales	
Equipment - more than \$200 per item (Enter these expenses in Section A8)		Taxes - Property	
Freight		Telephone	
Gifts (Limited to \$25 per person)		Utilities	
Insurance (Provide details of type and amount)		Wages (W-2) (Generally the amount from line 1 of the form W3)	
Interest - Mortgage		Other Expenses	
Interest - Other		Other:	
Internet Service		Other:	