Small Business Tax Preparation Checklist

What to gather before filing — tax-year 2025 returns filed in 2026. Prepared by AB The Tax Expert. Full guide with sources: abthetaxexpert.com/small-business-tax-preparation-checklist/

Return	Due (TY2025)	Extended	Form
Form 1065 (partnership) / Form 1120-S (S corp)	March 16, 2026	September 15, 2026	7004
Form 1040 + Schedule C	April 15, 2026	October 15, 2026	4868
Form 1120 (C corp, calendar year)	April 15, 2026	October 15, 2026	7004
W-2 / 1099-NEC to recipients	February 2, 2026	—	—
2026 estimated payments	Apr 15 · Jun 15 · Sep 15, 2026 · Jan 15, 2027		

An extension extends the time to file, not the time to pay.

Part 1 — Every business

Reconciled books

- ☐ Profit & loss and balance sheet for the full year; every bank, card, loan and processor account reconciled through Dec 31
- ☐ Access to QuickBooks / Xero / spreadsheet file, or a general-ledger export
- ☐ Books not reconciled? Catch-up bookkeeping is scoped first: abthetaxexpert.com/catch-up-bookkeeping/

Statements & year-end balances

- ☐ December 31 statements for every business bank and credit card account
- ☐ Loan statements with year-end balance and interest paid (Form 1098 for real estate)
- ☐ Merchant / platform reports: Stripe, Square, PayPal, Shopify, Amazon (1099-K only above $20,000 and 200 transactions; income is reportable either way)

Income records

- ☐ Forms 1099-NEC and 1099-MISC received
- ☐ Invoices issued and year-end accounts receivable (accrual basis)
- ☐ Income not through the bank: cash sales, barter, personal accounts used for business

Expense support

- ☐ Receipts for larger purchases, travel and meals (business purpose)
- ☐ Vehicle: total miles and business miles (2025 rate 70¢; 2026 rate 72.5¢) or actual costs
- ☐ Home office: square footage of office and home (simplified method $5/sq ft up to 300 sq ft)
- ☐ Health insurance premiums for owner and family
- ☐ Retirement contributions made or planned (SEP, SIMPLE, solo 401(k))

Payroll & contractors

- ☐ Forms W-2/W-3, 941s and 940, or payroll provider year-end package
- ☐ 1099-NEC issued to contractors paid $600+ in 2025 ($2,000+ for 2026 payments)
- ☐ Form W-9 on file for every contractor

Assets

- [ ] List of equipment, vehicles, furniture, software bought (date, cost) and anything sold or scrapped
- [ ] Last year's depreciation schedule
- [ ] Section 179 up to $2,500,000 and 100% bonus depreciation (property acquired and placed in service after Jan 19, 2025) — a planning choice, confirm before applying

Taxes already paid

- [ ] Federal and state estimated payments (dates and amounts)
- [ ] Prior-year overpayment applied
- [ ] State annual taxes/fees (California LLC: $800 annual tax and any LLC fee)

Prior returns & notices

- [ ] Last year's complete business (and personal) return
- [ ] Any IRS or state letter received this year

Part 2 — By entity type

Sole proprietor / single-member LLC (Schedule C)

- [ ] All Part 1 items plus the owner's personal tax documents
- [ ] Self-employed health insurance premiums (Form 7206)
- [ ] Personal-side income (QBI deduction phases down above $197,300 single / $394,600 joint for 2025)
- [ ] Estimated payments made under the owner's SSN

Partnership / multi-member LLC (Form 1065)

- [ ] Partnership or operating agreement and amendments
- [ ] Each partner: name, address, tax ID, ownership %, changes during the year
- [ ] Contributions and distributions by partner (including property)
- [ ] Guaranteed payments
- [ ] Prior-year K-1s and tax-basis capital accounts

S corporation (Form 1120-S)

- [ ] Officer W-2 wages for each shareholder-employee (reasonable compensation)
- [ ] Distributions by shareholder and date
- [ ] Shareholder health insurance paid by the corporation (on the W-2)
- [ ] Shareholder loans to/from the corporation
- [ ] Prior-year K-1s and basis records (Form 7203 for shareholders with losses, distributions or loan repayments)
- [ ] Accumulated E&P; from C corp years, if any

C corporation (Form 1120)

- [ ] Minutes/resolutions for dividends, officer pay, major transactions
- [ ] Dividends paid (1099-DIV issued)
- [ ] Corporate estimated tax payments
- [ ] NOL and credit carryforwards
- [ ] State franchise tax payments and filings

Part 3 — Facts that change the return

Tell your preparer if any of these happened

- ☐ New, departing or changed owners
- ☐ Entity election filed or accepted (Form 2553, Form 8832)
- ☐ Operations, employees, property or sales in a new state
- ☐ Business bought, sold, started or closed
- ☐ Loan taken, forgiven or refinanced
- ☐ Large asset purchase or sale, including vehicles
- ☐ Inventory on hand at year end
- ☐ Crypto or digital assets received or spent by the business

Not needed: every receipt (statements are the backbone) and, for companies created in the United States, a FinCEN beneficial ownership report (domestic entities exempt under the 2025 interim rule and the final rule effective Aug 14, 2026). Figures verified against IRS and FinCEN sources on September 7, 2026; see the online guide for links. This checklist is general information, not tax advice for your situation.

Ready to file? abthetaxexpert.com/get-started/ — business returns from $750 (Schedule C) and $1,200 (1065, 1120-S, 1120), scope and price confirmed before work begins.