

Year-End Tax Planning Implementation Checklist

General Business Income Tax Deductions

- Prepay up to **12 months of qualifying expenses** (e.g., rent, insurance) by **December 31, 2024**.
 - Defer December 2024 invoices to **January 2025** to shift taxable income.
 - Purchase and place **office equipment** in service for Section 179 or bonus depreciation.
 - Charge business expenses to **credit cards** for immediate deductions; reimburse before year-end.
 - Document all deductions, even those creating an **NOL**, for future tax savings.
 - Complete **Qualified Improvement Property (QIP)** upgrades to claim deductions.
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Section 199A Deduction Strategies

- Keep taxable income below **\$191,950 (single)** or **\$383,900 (joint)** thresholds.
 - Manage expenses (e.g., Section 179) to avoid excessive **QBI reductions**.
 - Ensure sufficient **W-2 wages or bonuses** are paid to meet wage/property limits.
 - Invest in **depreciable property** to maximize deductions under the **2.5% rule**.
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Vehicle Tax Strategies

- Buy and place in service **heavy SUVs, crossovers, or vans (GVWR > 6,000 lbs)** for deductions.
 - Replace old business vehicles with a buy-and-sell strategy to optimize taxes.
 - Convert personal vehicles to **business use** and claim depreciation (incl. 60% bonus).
 - Check for deductible **losses on old vehicles** and sell pre-2018 trade-ins if needed.
 - Consider **electric or plug-in hybrid vehicles** to qualify for the **\$7,500 tax credit**.
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Medical Plan Strategies

- Amend **2021 tax returns** for missed sick/family leave tax credits (up to **\$32,220**).
- Reimburse **Section 105 HRA expenses** by December 31.
- Establish and reimburse a **QSEHRA** if applicable.
- Process reimbursements for **ICHRAs** by year-end.

- Ensure **S corporations pay/reimburse health insurance premiums** and report on W-2s.
 - Claim the **Small Business Health Insurance Tax Credit** if eligible.
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Key Administrative Tasks

- Review tax-deductible expenses and confirm documentation (**receipts, proof of payment**).
 - Use software like **Doorloop, Stessa, or Apolio** to organize expenses.
 - Process payroll **bonuses and reimbursements** before December 31.
 - Work with a **tax professional** for tailored strategies.
 - Create a **checklist** for future planning to avoid oversights.
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Tip: Implementing these steps before year-end helps maximize tax savings and prepares you for a smooth tax season ahead!