



Business Tax Benefits Checklist

A Handy Guide for Nonprofits and Small Businesses

Navigating the intricate world of tax benefits can be a challenging endeavor for both nonprofit organizations and small businesses. This checklist aims to simplify that process, providing you with a quick yet comprehensive look at potential tax saving opportunities.

1. General Tax Benefits

- Business Expenses:** Make sure to deduct necessary business expenses like office supplies, utilities, and business travel.
- Home Office Deductions:** If you use part of your home exclusively for business, you may qualify for home office deductions.
- Depreciation:** Understand the basics of asset depreciation and how it can provide tax relief over time.
- Retirement Contributions:** Contributions to retirement plans may be deductible.
- Healthcare Costs:** Businesses often qualify for deductions related to healthcare costs for employees.

2. Nonprofit Specific Benefits

- TaxExempt Status:** Confirm your 501(c)(3) status for exemption from federal income tax.
- Charitable Giving:** Record any gifts or donations received as these may be tax exempt.
- Grants and Sponsorships:** Money received may be exempt from taxation. Document carefully.
- Volunteer Work:** While you can't deduct volunteer time, you can often deduct related expenses like travel.
- Fundraising:** Check if your fundraising activities are exempt from federal taxes.

3. Small Business Specific Benefits

- Section 179 Deduction:** Take advantage of first year deductions on business property, up to a specific limit.
- Qualified Business Income Deduction:** A deduction of up to 20% of qualified business income for certain small businesses.
- Work Opportunity Tax Credit:** A federal tax credit available to employers who hire individuals from specific groups with significant barriers to employment.
- R&D Tax Credits:** Available for companies that incur research and development (R&D) expenses.
- Small Business Health Care Tax Credit:** For small businesses that provide healthcare to their employees.

This checklist is designed for informational purposes and should not replace professional tax advice. Always consult with a tax advisor for your specific circumstances. Call JoQuin Associates for your professional tax and financial advice.

