

Heard

# Tax Season Checklist for Therapists

Sole Proprietor  
S Corporation  
Partnership

# Sole Proprietor

Use this list to prepare you for your tax season visit to the accountant's office. This is an exhaustive list. Not every item applies to every therapy practice.

If in doubt, check with your accountant. Some of the items below may apply to your spouse and/or dependents since, for tax purposes, your sole proprietorship is identical with yourself as an individual.

## Bookkeeping/accounting tasks

- Close the books on December 31st
- Prepare an annual profit and loss statement (P&L)
- Prepare a balance sheet covering the period up to the end of the year

## Basic information

- Employer insurance number (EIN)
- If you don't have an EIN: SSN or individual taxpayer identification number (ITIN)
- Copy of the previous year's return
- Estimated taxes paid (if paying quarterly taxes)

## For eFiling

- Routing/account information or void check
- Prior year's self-select PIN or prior year's adjusted gross income (AGI)
- Driver's license

## Received documents

- IRS Form W2s, Wage and Tax Statements
- IRS Form 1095s
  - 1095-A, Health Insurance Marketplace Statement
  - 1095-B, Health Coverage
  - 1095-C, Employer-Provided Health Insurance Offer and Coverage
  - 1095-C, Employer-Provided Health Insurance Offer and Coverage
- IRS Form 1098, Mortgage Interest
  - 1098-E, Student Loan Interest
- IRS Form 1099s
  - 1099-NEC, Nonemployee Compensation
  - 1099-MISC, Miscellaneous Compensation
  - 1099-DIV, Dividend Income
  - 1099-INT & 1099-OID, Interest Income
  - 1099-K, Merchant Card and Third Party Networks
  - 1099-S, Sale of Home or Real Estate
  - 1099-B, Capital Gain Transactions
  - 1099-SA, Distributions from HSAs/MSAs
  - 1099-G, Unemployment Compensation
- Schedule K-1, Partnership, S Corp, or Trust Income

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# Sole Proprietor

## Personal records

- Child and dependent care expenses
- Education expenses
- Medical expenses
- Vehicle taxes paid
- Real estate taxes
- Mortgage interest paid
- Charitable contributions
- Gambling expenses

## Business records

- Deductible expenses you're claiming
- Home office expenses, including business use percentage
  - Rent/mortgage
  - Utilities
- Records of deductible expenses
  - Receipts and invoices
  - Banking and credit card statements
- Copies or summary of all Form 1099s and W-2s issued

## Asset records

- Date of purchase, cost, and business use percentage of all major assets acquired over the course of the year
- Date of sale, cost of sale, asset price, and depreciation amount for all major assets sold over the course of the year
- Prior year depreciation schedules for all depreciable assets
- Mileage log for each owned or leased vehicle (business use and total use)
- Reports of business use percentage and actual expenses for each owned vehicle

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# S Corporation

Use this list to prepare you for your tax season visit to the accountant's office. This is an exhaustive list. Not every item applies to every therapy practice.

If in doubt, check with your accountant. If your practice is an LLC filing as an S corp, you may need to pay state franchise tax or a similar fee to maintain your LLC structure at the state level.

## Bookkeeping/accounting tasks

- Close the books on December 31st
- Prepare an annual profit and loss statement (P&L)
- Prepare a balance sheet covering the period up to the end of the year

## Basic information

- Employer insurance number (EIN)
- If you don't have an EIN: SSN or individual taxpayer identification number (ITIN)
- List of state ID numbers where your practice has tax nexus or reporting obligations
- Copy of articles of incorporation, including any bylaws or amendments
- Estimated taxes paid (if paying quarterly taxes)

## Shareholder information

- Name, address, and SSN/ITIN/EIN of each shareholder
- List of each shareholder's stock ownership
- Reports of shareholders' capital contributions, withdrawals, and loans
- Reports of all shareholders' compensation, including benefits
- Reports detailing any change of ownership in the past year

## Received documents

- IRS Form 1099s
  - 1099-NEC, Nonemployee Compensation
  - 1099-MISC, Miscellaneous Compensation
  - 1099-B, Capital Gain Transactions
  - Any credit certificates issued by state or federal tax authorities

## Business/financial records

- Deductible expenses you're claiming
- Home office expenses, including business use percentage
  - Rent/mortgage
  - Utilities
- Records of deductible expenses
  - Receipts and invoices
  - Banking and credit card statements
- Copies or summary of all Form 1099s and W-2s issued
- Reports detailing federal unemployment, Social Security, and Medicare tax pair (IRS Forms 940 and 941)
- Reports of state or local payroll tax paid
- If conducting business in multiple state, provide for each state:
  - Total sales
  - Total payroll
  - Total property values

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# Partnership

Use this list to prepare you for your tax season visit to the accountant's office. This is an exhaustive list. Not every item applies to every therapy practice.

If in doubt, check with your accountant. If your practice is an LLC filing as a partnership, you may need to pay state franchise tax or a similar fee to maintain your LLC structure at the state level.

## Bookkeeping/accounting tasks

- Close the books on December 31st
- Prepare an annual profit and loss statement (P&L)
- Prepare a balance sheet covering the period up to the end of the year

## Basic information

- Employer insurance number (EIN)
- If you don't have an EIN: SSN or individual taxpayer identification number (ITIN)
- Copy of the previous year's return
- List of state ID numbers where your practice has tax nexus or reporting obligations
- Copy of partnership agreement, including any bylaws or amendments
- Estimated taxes paid (if paying quarterly taxes)

## Partner information

- Name, address, and SSN/ITIN/EIN of each partner
- List of each partner's ownership percentage
- Reports of partners' capital contributions, withdrawals, and loans
- Reports of all partners' compensation, including benefits
- Reports detailing any change of ownership in the past year

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