

Tax Compliance Health Checklist

Income Reporting

- ☐ Have you identified and reported all sources of income?
- ☐ Have you accounted for income from freelance earnings, investments, rental income, and cryptocurrency transactions?
- ☐ Did you receive a Form 1099 and match it with your records?
- ☐ If you have earnings from bartering or prizes, did you account for them?

Deductions/Credits

- ☐ Are you claiming all eligible deductions or exemptions? (Such as home office/marketing expenses)
- ☐ Have you verified your eligibility for credits like the EITC, child tax credits, or energy-efficient home improvements?
- ☐ If you're a business owner, have you tracked the business use mileage of your vehicles and applied the right rates?
- ☐ Have you properly classified expenses and depreciated assets correctly?

Tax Compliance Health Checklist: Record-Keeping

- ☐ Do you keep organized records (bank statements, invoices, etc.) as required by the IRS?
- ☐ Can you provide proof for all claimed items if required, without relying on estimates?
- ☐ Have you maintained the proper documentation for deductions, such as business travel logs?

Filing and Deadlines

- ☐ Have you filed the proper tax returns (e.g., Schedule C forms for the self-employed) by the deadlines?
- ☐ If you're filing quarterly, have you made timely estimated tax payments?

Employment and Payroll

- ☐ Have you withheld and remitted payroll taxes like FICA correctly for employees?
- ☐ Did you issue W-2s to your contractors by the deadline?

Tax Compliance Health Checklist: Sales and Use Taxes

- ☐ To avoid tax compliance gaps, did you collect and remit sales taxes in all states where you have a nexus?
- ☐ Did you file use tax returns for out-of-state purchases where sales tax wasn't collected?

General Considerations

- ☐ If you have made any investments, did you correctly report any capital gains or losses?
- ☐ Have you reviewed recent changes in tax laws to avoid penalties?