

TAXPAYER DEDUCTION CHECKLIST

Provided by Michael A. Minelli of KeyFinancialSolutionsThatWork.com

- Use as a guide when preparing a new tax return
- Discuss each item checked with your tax preparer

BUSINESS EXPENSES

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|---|--|
| <input type="checkbox"/> Abandonment losses | <input type="checkbox"/> ACR Equipment |
| <input type="checkbox"/> Accounting expenses | <input type="checkbox"/> Advertising expenses |
| <input type="checkbox"/> Alterations on property | <input type="checkbox"/> Amortization |
| <input type="checkbox"/> Appraisal costs | <input type="checkbox"/> Assessment paid to union |
| <input type="checkbox"/> Attending conventions | <input type="checkbox"/> Auto cleaning |
| <input type="checkbox"/> Auto rental | <input type="checkbox"/> Auditing expenses |
| <input type="checkbox"/> Automobile expenses | <input type="checkbox"/> Awards |
| <input type="checkbox"/> Bad debts | <input type="checkbox"/> Bad debt reserve |
| <input type="checkbox"/> Bail bond fee | <input type="checkbox"/> Bank charges |
| <input type="checkbox"/> Board fees to employees | <input type="checkbox"/> Bonus payments |
| <input type="checkbox"/> Bookkeeping expenses | <input type="checkbox"/> Buy-out, exp. to prevent |
| <input type="checkbox"/> Capital loss carry-over | <input type="checkbox"/> Carrying charges (optional) |
| <input type="checkbox"/> Carry-over of net operating loss | <input type="checkbox"/> Casualty losses (limited) |
| <input type="checkbox"/> Chamber of Commerce | <input type="checkbox"/> Chauffeur expenses |
| <input type="checkbox"/> Charitable contributions | <input type="checkbox"/> Christmas gifts |
| <input type="checkbox"/> Circulation expenses | <input type="checkbox"/> Cleaning costs |
| <input type="checkbox"/> Club dues (professional) | <input type="checkbox"/> Collection of business debt |
| <input type="checkbox"/> Commissions | <input type="checkbox"/> Commitment fees |
| <input type="checkbox"/> Compensation | <input type="checkbox"/> Compromise of business debt |
| <input type="checkbox"/> Computer equipment | <input type="checkbox"/> Computer training classes |
| <input type="checkbox"/> Computer software | <input type="checkbox"/> Confiscation, foreign prop. |
| <input type="checkbox"/> Contracts | <input type="checkbox"/> Contribution to emp. benefits |
| <input type="checkbox"/> Convention expenses | <input type="checkbox"/> Corporate representation |
| <input type="checkbox"/> Cost depletion | <input type="checkbox"/> Cost of business calls |
| <input type="checkbox"/> Damages paid | <input type="checkbox"/> Defending court actions |
| <input type="checkbox"/> Depletion | <input type="checkbox"/> Depreciation |
| <input type="checkbox"/> Disability insurance | <input type="checkbox"/> Disability payments |
| <input type="checkbox"/> Development expenses | <input type="checkbox"/> Discounts |
| <input type="checkbox"/> Dissolution expenses | <input type="checkbox"/> Dividends |
| <input type="checkbox"/> Donations | <input type="checkbox"/> Dues |
| <input type="checkbox"/> Efficiency expert fee | <input type="checkbox"/> Employee Leasing |
| <input type="checkbox"/> Employ children | <input type="checkbox"/> Entertainment of client (limited) |
| <input type="checkbox"/> Escrow fees | <input type="checkbox"/> Expenses |
| <input type="checkbox"/> Expenses to eject tenant | <input type="checkbox"/> Exploration expenses |
| <input type="checkbox"/> Fees paid | <input type="checkbox"/> Feasibility studies |
| <input type="checkbox"/> Geo-Solar Energy Credit | <input type="checkbox"/> Food for business purpose |
| <input type="checkbox"/> Goodwill, creation of | <input type="checkbox"/> Gifts for business purpose |
| <input type="checkbox"/> Group life insurance | <input type="checkbox"/> Golden parachute contracts |
| <input type="checkbox"/> Home-office, expenses | <input type="checkbox"/> Health insurance premiums |
| <input type="checkbox"/> Income tax (state) | <input type="checkbox"/> Idle property maintenance |
| <input type="checkbox"/> Insurance premiums | <input type="checkbox"/> Incorporating fees |
| <input type="checkbox"/> Inventory shortages | <input type="checkbox"/> Interest |
| <input type="checkbox"/> Landlord property repair | <input type="checkbox"/> Judgments, business damage |
| <input type="checkbox"/> Legal fees | <input type="checkbox"/> Leases |
| <input type="checkbox"/> Licenses and fees | <input type="checkbox"/> Library expenses |
| <input type="checkbox"/> Lobbying costs | <input type="checkbox"/> Loan fees and appraisals |
| <input type="checkbox"/> Losses | <input type="checkbox"/> Lodging expenses |
| <input type="checkbox"/> Mailing costs | <input type="checkbox"/> Machinery abandonment |
| <input type="checkbox"/> Meal expenses (limited) | <input type="checkbox"/> Management expenses |
| <input type="checkbox"/> Net operating loss | <input type="checkbox"/> Mileage expenses (limited) |

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|--|---|
| <input type="checkbox"/> Obsolescence | <input type="checkbox"/> Non-competition fee (limit) |
| <input type="checkbox"/> Office expenses | <input type="checkbox"/> Occupational taxes |
| <input type="checkbox"/> Ordinary expenses | <input type="checkbox"/> Office rent |
| <input type="checkbox"/> Parking | <input type="checkbox"/> Organizational expenses |
| <input type="checkbox"/> Pension fund contribution | <input type="checkbox"/> Passport for business travel |
| <input type="checkbox"/> Professional dues & fees | <input type="checkbox"/> Postage |
| <input type="checkbox"/> Promotion expenses | <input type="checkbox"/> Profit-sharing contribution |
| <input type="checkbox"/> Publicity and selling exp. | <input type="checkbox"/> Property taxes |
| <input type="checkbox"/> Rental property painting | <input type="checkbox"/> Real estate taxes |
| <input type="checkbox"/> Repairs | <input type="checkbox"/> Rentals |
| <input type="checkbox"/> Royalty payments | <input type="checkbox"/> Research costs |
| <input type="checkbox"/> Salaries | <input type="checkbox"/> Safety equipment |
| <input type="checkbox"/> Social Security taxes | <input type="checkbox"/> Sale of assets to company |
| <input type="checkbox"/> Subscriptions, business related | <input type="checkbox"/> Start up expenses |
| <input type="checkbox"/> Taxes paid | <input type="checkbox"/> Supplies |
| <input type="checkbox"/> Theft losses | <input type="checkbox"/> Taxi fares |
| <input type="checkbox"/> Tools | <input type="checkbox"/> Tolls |
| <input type="checkbox"/> Trademark expenses | <input type="checkbox"/> Trade journal subscription |
| <input type="checkbox"/> Transportation expenses | <input type="checkbox"/> Trade name expenses |
| <input type="checkbox"/> Unemployment benefits | <input type="checkbox"/> Travel & entertainment, bus |
| <input type="checkbox"/> Workers' compensation payments | <input type="checkbox"/> Unemployment Compensation |

Some business expenses are subject to a 50% maximum

CASUALTY AND THEFT LOSS

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|--|--|
| <input type="checkbox"/> Accidents | <input type="checkbox"/> Automobile damage |
| <input type="checkbox"/> Blackout losses | <input type="checkbox"/> Blight |
| <input type="checkbox"/> Blizzard losses | <input type="checkbox"/> Burglary losses |
| <input type="checkbox"/> Clean up costs | <input type="checkbox"/> Construction losses |
| <input type="checkbox"/> Damage to property (per.) | <input type="checkbox"/> Demolition losses |
| <input type="checkbox"/> Disaster losses | <input type="checkbox"/> Drought losses |
| <input type="checkbox"/> Embezzlement | <input type="checkbox"/> Fire (limited) |
| <input type="checkbox"/> Flood and water losses | <input type="checkbox"/> Fraud losses |
| <input type="checkbox"/> Hurricane losses | <input type="checkbox"/> Insect damage |
| <input type="checkbox"/> Livestock killed by storm | <input type="checkbox"/> Natural phenomenon |
| <input type="checkbox"/> Property damage | <input type="checkbox"/> Riot losses |
| <input type="checkbox"/> Tornado damage | <input type="checkbox"/> Tree & shrub damage |
| <input type="checkbox"/> Vandalism | <input type="checkbox"/> Volcano damage |

Subject to specific limitations enacted by TRA '86

CHARITABLE CONTRIBUTIONS

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| <input type="checkbox"/> Charitable mileage, volunteers | <input type="checkbox"/> Charitable tickets donated |
| <input type="checkbox"/> Charity balls | <input type="checkbox"/> Charity banquets |
| <input type="checkbox"/> Clothing donated | <input type="checkbox"/> Dues exceeding values |
| <input type="checkbox"/> Charity shows | <input type="checkbox"/> Furniture donated |
| <input type="checkbox"/> Goodwill Industries | <input type="checkbox"/> Literary organizations |
| <input type="checkbox"/> Salvation Army | <input type="checkbox"/> Scouts |
| <input type="checkbox"/> United Way | <input type="checkbox"/> War veterans organizations |
| <input type="checkbox"/> Excess cost of attending | <input type="checkbox"/> Excess of payment for items bought |
| <input type="checkbox"/> Out-of-pocket expenses | <input type="checkbox"/> Pooled income funds |
| <input type="checkbox"/> Qualified conservation | <input type="checkbox"/> Remainder interests |
| <input type="checkbox"/> Travel costs | <input type="checkbox"/> Domestic fraternal societies |

*Some contributions are subject to tax preference, Others are subject to limitations
Carry forwards are generally limited to five years*

CREDITS

- | | | | |
|--------------------------|-------------------------|--------------------------|-----------------------------|
| <input type="checkbox"/> | Alcohol fuels | <input type="checkbox"/> | Child Care |
| <input type="checkbox"/> | Dependent care | <input type="checkbox"/> | Earned income |
| <input type="checkbox"/> | Elderly disability | <input type="checkbox"/> | Employee stock option plans |
| <input type="checkbox"/> | Experimentation | <input type="checkbox"/> | Foreign taxes |
| <input type="checkbox"/> | General business | <input type="checkbox"/> | Investment |
| <input type="checkbox"/> | Mortgage credit certif. | <input type="checkbox"/> | Prepaid estimated tax |
| <input type="checkbox"/> | Research | <input type="checkbox"/> | Social Security overpayment |
| <input type="checkbox"/> | Targeted jobs credit | <input type="checkbox"/> | Tax withheld on wages |
| <input type="checkbox"/> | Child tax credit | <input type="checkbox"/> | Education credit |

*Credits differ substantially from deductions.
Many have been reduced or eliminated - to return later.
Others have been replaced by higher standard deduction*

EXCLUSIONS

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|--------------------------|----------------------------|--------------------------|--------------------------------|
| <input type="checkbox"/> | Car pool receipts by owner | <input type="checkbox"/> | Child support |
| <input type="checkbox"/> | Damages | <input type="checkbox"/> | Expenses under scholarship |
| <input type="checkbox"/> | Fellowships | <input type="checkbox"/> | Grants |
| <input type="checkbox"/> | Inheritance | <input type="checkbox"/> | Interest on life ins. |
| <input type="checkbox"/> | Life insurance proceeds | <input type="checkbox"/> | Life insurance dividends |
| <input type="checkbox"/> | Life ins return of premium | <input type="checkbox"/> | Medical grants |
| <input type="checkbox"/> | Medical insurance | <input type="checkbox"/> | Prizes |
| <input type="checkbox"/> | Sale of residence | <input type="checkbox"/> | Scholarships |
| <input type="checkbox"/> | Social Security benefits | <input type="checkbox"/> | Student loans interest subsidy |
| <input type="checkbox"/> | Work-study programs | <input type="checkbox"/> | US disaster relief proceeds |

INTEREST

- | | | | |
|--------------------------|-------------------------------|--------------------------|-------------------------------|
| <input type="checkbox"/> | Forfeited interest penalty | <input type="checkbox"/> | Interest on business loans |
| <input type="checkbox"/> | Interest on tuition plans | <input type="checkbox"/> | Interest paid as a dividend |
| <input type="checkbox"/> | Loan processing fee | <input type="checkbox"/> | Mortgage prepayment penalties |
| <input type="checkbox"/> | Points on principal residence | | |

Personal interest deductions have been severely restricted

MEDICAL EXPENSES

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|--------------------------|-------------------------|--------------------------|--------------------------------------|
| <input type="checkbox"/> | Acupuncture | <input type="checkbox"/> | Air conditioning (limited) |
| <input type="checkbox"/> | Alcoholism treatment | <input type="checkbox"/> | Ambulance hire |
| <input type="checkbox"/> | Analysis | <input type="checkbox"/> | Animal trained for aid |
| <input type="checkbox"/> | Artificial limbs | <input type="checkbox"/> | Blind person expenses |
| <input type="checkbox"/> | Batteries (hearing aid) | <input type="checkbox"/> | Braces |
| <input type="checkbox"/> | Blood donation expenses | <input type="checkbox"/> | Calls to psychologist |
| <input type="checkbox"/> | Braille books | <input type="checkbox"/> | Chemotherapy |
| <input type="checkbox"/> | Capital exp. (limited) | <input type="checkbox"/> | Clinical care |
| <input type="checkbox"/> | Chiropractors | <input type="checkbox"/> | Contact lens and insurance |
| <input type="checkbox"/> | Computer, medical | <input type="checkbox"/> | Crutches |
| <input type="checkbox"/> | Cosmetic surgery | <input type="checkbox"/> | Dentures/false teeth |
| <input type="checkbox"/> | Dental fees | <input type="checkbox"/> | Diagnostic fees |
| <input type="checkbox"/> | Dermatologists | <input type="checkbox"/> | Doctor's fees |
| <input type="checkbox"/> | Diathermy treatments | <input type="checkbox"/> | Elastic stockings |
| <input type="checkbox"/> | Drug addiction therapy | <input type="checkbox"/> | Exercises (special)/Physical therapy |
| <input type="checkbox"/> | Elevator (special) | <input type="checkbox"/> | Eye Examinations |
| <input type="checkbox"/> | Eye doctor | <input type="checkbox"/> | Face lift operation |

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|---|---|
| <input type="checkbox"/> Eyeglasses | <input type="checkbox"/> Filters |
| <input type="checkbox"/> Fluoride water device | <input type="checkbox"/> Foods (special) |
| <input type="checkbox"/> Gum treatment | <input type="checkbox"/> Gynecologists |
| <input type="checkbox"/> Healing services | <input type="checkbox"/> Health institutes |
| <input type="checkbox"/> Health insurance | <input type="checkbox"/> Hearing devices |
| <input type="checkbox"/> Hospital fees | <input type="checkbox"/> Hospitalization insurance |
| <input type="checkbox"/> In-patient care | <input type="checkbox"/> Insulin |
| <input type="checkbox"/> Insurance premiums | <input type="checkbox"/> Lab fees |
| <input type="checkbox"/> Laetrile | <input type="checkbox"/> Legal fees (medically-related) |
| <input type="checkbox"/> Lifetime medical care | <input type="checkbox"/> Lodging expense |
| <input type="checkbox"/> Mammography | <input type="checkbox"/> Mattress (special) |
| <input type="checkbox"/> Meals | <input type="checkbox"/> Midwife fees |
| <input type="checkbox"/> Medical information plan | <input type="checkbox"/> Nurse's fees |
| <input type="checkbox"/> Medical transportation | <input type="checkbox"/> Obstetricians |
| <input type="checkbox"/> Mentally retarded, home | <input type="checkbox"/> Operations |
| <input type="checkbox"/> Neurologists | <input type="checkbox"/> Orthodontia |
| <input type="checkbox"/> Nursing homes | <input type="checkbox"/> Osteopaths |
| <input type="checkbox"/> Occupational therapy | <input type="checkbox"/> Orthopedic lift devices |
| <input type="checkbox"/> Ophthalmologists | <input type="checkbox"/> Pediatrician |
| <input type="checkbox"/> Orthopedic shoes | <input type="checkbox"/> Plywood board, arthritic |
| <input type="checkbox"/> Orthopedic bed | <input type="checkbox"/> Prosthesis |
| <input type="checkbox"/> Oxygen equipment | <input type="checkbox"/> Reclining chair (special) |
| <input type="checkbox"/> Physical therapy | <input type="checkbox"/> Sanitarium stays |
| <input type="checkbox"/> Plastic surgery | <input type="checkbox"/> Sexual problems (treatment) |
| <input type="checkbox"/> Prescription drugs | <input type="checkbox"/> Specially designed cars |
| <input type="checkbox"/> Psychologist fees | <input type="checkbox"/> Surgical fees |
| <input type="checkbox"/> Schools (special) | <input type="checkbox"/> Tests |
| <input type="checkbox"/> Special diet | <input type="checkbox"/> Thermograph |
| <input type="checkbox"/> Supplements | <input type="checkbox"/> Tuition at special school |
| <input type="checkbox"/> Telephone (for deaf) | <input type="checkbox"/> Vaccines |
| <input type="checkbox"/> Therapy | <input type="checkbox"/> Weight loss (special) |
| <input type="checkbox"/> Transportation - med. care | <input type="checkbox"/> Wheelchair lift |
| <input type="checkbox"/> Unlicensed practitioners | <input type="checkbox"/> Whirlpool bath |
| <input type="checkbox"/> Vitamins (special) | <input type="checkbox"/> X-rays |
| <input type="checkbox"/> Walker devices | |
| <input type="checkbox"/> Wheelchair | |
| <input type="checkbox"/> Wigs (special) | |

Subject to limits based on Adjusted Gross Income

PERSONAL, LIVING AND FAMILY EXPENSES

- | | |
|---|--|
| <input type="checkbox"/> Adoption expenses | <input type="checkbox"/> Alimony expenses |
| <input type="checkbox"/> Armed forces uniforms | <input type="checkbox"/> Blood donation expenses |
| <input type="checkbox"/> Commuting expenses | <input type="checkbox"/> Dependent care |
| <input type="checkbox"/> Education expenses * | <input type="checkbox"/> Finder's fees |
| <input type="checkbox"/> Home office * | <input type="checkbox"/> Hobby expenses for income |
| <input type="checkbox"/> Investment expenses * | <input type="checkbox"/> Accounting fees (Tier 2) |
| <input type="checkbox"/> Investment fees (Tier 2) | <input type="checkbox"/> Legal fees (Tier 2) |
| <input type="checkbox"/> Safe deposit rental (Tier 2) | <input type="checkbox"/> Job search costs |
| <input type="checkbox"/> Moving expenses for job | <input type="checkbox"/> In-transit storage |
| <input type="checkbox"/> Shipping (job related) | <input type="checkbox"/> Professional dues |
| <input type="checkbox"/> Security deposits | <input type="checkbox"/> Union dues (Tier 2) |
| <input type="checkbox"/> Boots | <input type="checkbox"/> Work clothes (Tier 2) |
| <input type="checkbox"/> Helmet | <input type="checkbox"/> Gloves (Tier 2) |
| <input type="checkbox"/> Protective clothing | <input type="checkbox"/> Military uniforms |
| <input type="checkbox"/> Smocks | <input type="checkbox"/> Safety equipment |
| <input type="checkbox"/> Uniforms | <input type="checkbox"/> Special eye glasses |

Many are subject to limitation based on taxpayer's AGI)

TAXES

- Ad valorem tax
- City income tax
- Disability insurance tax
- Income tax (local)
- Obtaining IRS rulings
- Personal property tax
- Withholding taxes
- Special Assessments
- Certain special assessments
- Condominium fees (prorata amt.)
- Foreign taxes
- Income tax (state)
- Occupational taxes
- Real property tax
- FICA ½ (self-employed)

MISCELLANEOUS

- Actor's costumes
- Answering service
- Author's expenses
- Bank failure, loss of dep.
- Civil defense volunteer
- Educational materials
- Financial Planning Fees
- Interest, margin
- IRA custodian fees
- Keogh plan contributions
- Laundry expenses
- Forced sales
- Worthless stock
- Microfilming records
- Olympic contributions
- Photo Appraisal
- Reforestation expenses
- Sabbatical leave
- Special tutors
- Alarm systems
- Arbitration fees
- Auto license fees (limited)
- Bodyguard fees
- Cleaning expenses
- Estate Planning
- Fiduciaries' exp. (limited)
- IRA contributions (limited)
- Joint venture losses
- Keogh plan custodian fees
- Losses
- Forfeitures
- Management fees (limited)
- Musician instrument repair
- Partner's share of losses
- Postage (business activity)
- Rewards
- Soil conservation costs
- Tolls (business travel)

Source: Financial Planning Consultants, Inc.