

Deductible Business Expenses

Every business is different, and no list can be fully comprehensive. However, following are some typical deductions for a small business.

- q Accounting and tax preparation fees
- q Advertising
- q Automobile expenses (actual or standard rate)
- q Bad debts (example, a loan made to a supplier or a customer)
- q Bank service charges, merchant fees
- q Cell phone
- q Computer & peripheral equipment
- q Contract labor
- q Conventions, trade shows
- q Cost of goods sold (if you maintain an inventory)
- q Gifts (small promotional items)
- q Health insurance
- q Home office expenses (utilities, repairs, maintenance, assoc. dues, insurance)
- q Internet connection
- q Interest expense directly related to business activities
- q Legal fees
- q Liability insurance
- q Licenses and permits
- q Machinery and equipment
- q Meals & entertainment where business is discussed
- q Office equipment (digital camera, fax, copier)
- q Office furniture
- q Office supplies
- q Pager
- q Postage, shipping
- q Printing & reproduction
- q Professional dues
- q Rent
- q Research & development
- q Supplies
- q Telephone expenses (2nd line in home, long distance, fax, etc.)
- q Tools
- q Trade publications
- q Training/continuing education
- q Travel (hotel, car rental, tolls, parking, tips, taxi, airfare)
- q Uniforms
- q Website development and maintenance