The Overlooked Deductions Audit Checklist

2025 Filing Season Edition

Grab your bank statements and bookkeeping records from the past year. Go through each deduction below and check whether you're currently claiming it. If you're not, and it applies to your business, you might be leaving money on the table.

The Disclaimer: We are a newsletter, not your CPA. This checklist helps you spot what you might be missing. It is not tax advice. Run everything by a qualified professional before making changes to your return.

Your Business Space

☐ **Home office (regular method)** — Are you using the actual expense method, or defaulting to the simplified $5/sq ft calculation? The regular method almost always yields more.

☐ **Rent or mortgage interest (business portion)** — If you have a dedicated home office, a percentage of your housing costs is deductible.

☐ **Utilities (business portion)** — Electric, gas, water, trash are all partially deductible if you work from home.

☐ **Renter's or homeowner's insurance (business portion)** — Same percentage as your home office square footage.

☐ **Repairs and maintenance (business portion)** — A new HVAC system or roof repair? Your home office percentage applies.

Your Operations

☐ **Software and digital subscriptions** — QuickBooks, Slack, Zoom, Canva, CRM, project management tools, cloud storage, email marketing.

☐ **Website and domain costs** — Hosting, domain registration, SSL certificates, design, maintenance, stock photos.

☐ **Phone and internet (business portion)** — Estimate the business-use percentage and keep it consistent.

☐ **Office supplies and equipment** — Desks, monitors, keyboards, webcams, printers, paper, ink. Anything used for business.

☐ **Bank and merchant processing fees** — Monthly account fees, Stripe/Square/PayPal transaction fees, wire transfer fees.

☐ **Postage and shipping** — Every label, every stamp, every FedEx run.

Your People

☐ **Contract labor and freelancers** — Designers, bookkeepers, VAs, consultants. Remember to issue 1099-NECs for anyone paid $600+.

☐ **Employee salaries and wages** — Including bonuses, if applicable.

☐ **Employee benefits** — Health insurance, retirement contributions, and other benefits you provide.

Your Growth

☐ **Advertising and marketing** — Google Ads, Meta campaigns, print materials, business cards, branded merch, sponsored posts.

☐ **Professional development** — Courses, certifications, conferences, workshops, and books related to your current business.

☐ **Continuing memberships and dues** — Chamber of Commerce, industry associations, trade groups, networking organizations (not political lobbying groups).

Your Protection

☐ **Business insurance** — General liability, professional liability, E&O, cyber liability, commercial property.

☐ **Auto insurance (business portion)** — If you use your vehicle for work, the business percentage of your premium is deductible.

☐ **Health insurance premiums** — If you're self-employed and not eligible for a spouse's employer plan. S-Corp owners: must be added to your W-2 first.

Your Money

☐ **Self-employment tax (deductible half)** — Half of your SE tax is an above-the-line deduction. It's on your 1040, not your Schedule C.

☐ **Retirement contributions** — SEP-IRA, Solo 401(k), SIMPLE IRA. These reduce taxable income dollar for dollar.

☐ **Interest on business loans and credit cards** — SBA loans, lines of credit, equipment financing, business credit card interest. Principal isn't deductible, but interest is.

Your Travel and Meals

☐ **Business mileage** — 70 cents per mile in 2025. Log every trip: client meetings, post office, supply runs, bank deposits.

☐ **Travel expenses** — Flights, hotels, rental cars, rideshares, checked bags, and tips, when the primary purpose is business.

☐ **Business meals (at 50%)** — Client and prospect meals with documented purpose, date, place, attendees, and business relationship.

Your Compliance

☐ **Professional services** — Accountant, attorney, tax preparer, enrolled agent, financial advisor (for business matters).

☐ **State and local business taxes and licenses** — Business license fees, state filing fees, franchise taxes, sales tax permits.

How Did You Do?

25–30 checked: You and your CPA are on excellent terms. Keep doing what you're doing.

15–24 checked: You're claiming the big ones but likely missing a few that add up. Review the gaps with your tax professional.

Under 15 checked: There's a good chance you're overpaying on taxes. Bring this checklist to your next CPA meeting. It could save you thousands.