



20 valuable small-business tax deductions

Whether you own a sole proprietorship, an LLC or a partnership, you can make your profits even sweeter with small-business tax deductions. If you are not fully aware of the long list of deductions that you can claim as a small-business owner, follow this guide to learn more before the next tax season or visit the following [link](https://affordabletaxcenters.com/) if you want to learn more and follow us at <https://affordabletaxcenters.com/>.

1. Utility costs

From water to electricity to the telephone, all utility costs of your small business are tax-deductible. While your primary home landline is not deductible, any other phones your business might be using can get you tax deductions.

2. Marketing costs

All costs related to the marketing and promotion of your business are deductible. Expenses include everything from business cards and advertisements to logo design.

3. Insurance expenses

Any insurance policy held by the small-business owner is tax-deductible. This includes health insurance, property insurance, business continuation insurance, liability coverage insurance, auto insurance, malpractice insurance, employee life insurance, business interruption insurance and compensation costs.

4. Business property rent

If you rent or lease your business property, the expenses could be eligible for deductions from your taxes. Also, if your business operates out of your house, you can consult the IRS website to find out if expenses such as mortgage, insurance or utilities are tax-deductible.

5. Loan interest

Small-business loans are common, but did you know that the interest could be a tax deduction? As long as the loan is from a legal, traditional lender

and the money is used for covering business expenses, you could deduct the cost from your income tax.

6. Transportation costs

When you have a vehicle for business use, the costs can be deducted from your income tax as long as you keep track of the mileage. If you have only one vehicle and use it for both personal and business needs, you need to separate the mileage to be able to make a tax deduction. You may also use the standard rate set by the IRS at 58 cents.

7. Inventory expenses

If yours is a kind of business that manufactures goods or buys them for resale, you could make certain income tax deductions. The eligible deductions include the cost of raw materials, manufacturing and storage, and labor.

8. Equipment and machinery lease

The cost of leased equipment and machinery is deductible, whether it is a printer, a truck or a toolbox. However, since these are not one-time costs, they are usually deducted over many years rather than only in a single tax year. You can check out this page for more information on Section 179 tax deduction.

9. Office stationery and furniture

These costs may be small but they are still related to your business and therefore, tax-deductible. Items including pens, paper, notebooks, desks, chairs and the expenses of office supplies and furniture can be deducted from your taxes as long as you keep track of them.

10. Travel costs

If your business requires you to travel frequently to seminars, trade shows, meetings or conventions, you can deduct these expenses from your taxes. What's more, you might also be able to deduct the cost of renting a vehicle or parking while you are traveling for business.

11. Labor costs

Hiring freelancers and independent contractors for your business is non-taxable. If the contractor is being paid more than \$600 by you in a tax year, they must be issued form MISC-1099.

12. Wages

The salaries you pay your employees are completely tax-deductible, including commissions and bonuses. But if your business has LLC members, sole proprietors or partners, they are not considered employees, and the payments made to them are not deductible.

13. Employee benefits

If you provide your employees with certain benefits, such as health insurance, retirement plans, or education assistance, they can be deducted from your income taxes.

14. Business debt

Have you ever lent money to an employee or a supplier but never got it back? Have you made credit sales to customers but were never paid? You can claim these as bad debt and deduct them from your income tax. But you do need to have proof that it was indeed a business debt and not a personal loan.

15. Retirement plan

As a self-employed small-business owner, you can open your own retirement account and make regular contributions to it. The money put into your retirement fund is completely tax-deductible and can be claimed on your individual income tax form.

16. Publications

Newspapers, magazines or books related to or necessary for the operation of your business can be deductible. As long as you can prove that these publications are a requirement for your business, you may be able to deduct the expenses of everything from a newspaper to cable television.

17. Education

If you require higher education or professional training for your business, you can deduct these as education expenses. However, you cannot deduct

the cost of education intended for a different career or for a purpose unrelated to your business.

18. Business taxes

The taxes your business incurs are deductible from your income tax. These include sales tax, real estate tax, or other local, state or federal business taxes.

19. Gifts

If you give employees holiday gifts or other presents, you can deduct up to \$25 per person in a given tax year.

20. Repairs

As a homeowner, you may not be able to deduct repair and maintenance costs from your taxes, but if you conduct your business from your house, you can deduct these expenses, as long as they were meant to fix something broken or damaged and not merely a restoration or betterment. This also includes repairs made to a rental property if that is your business.

If you have any desire to learn more please visit us at <https://affordabletaxcenters.com/> - Affordable Tax Centers.