

# End-of-Year Strategic Planning Checklist

for Business Owners

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## Finish the Year Strong

As the year comes to a close, business owners have a unique opportunity to take control of their financial outcomes. Proactive tax planning isn't just about minimizing what you owe today—it's about setting your business up for long-term success. This checklist is designed to help you identify key areas to address before December 31, while also preparing you for the year ahead. By asking the right questions and taking intentional steps, you can ensure your tax strategy supports your broader financial and operational goals.

## I. Year-End Financial and Tax Planning

### 1. Review and Adjust Current-Year Tax Projections

- Calculate 2024 tax liability and determine if Q4 estimated payments are required (due January 15, 2025).
- Review and adjust tax withholdings for owner salaries.

### 2. Determine Reasonable Salary for S Corp Shareholder-Employees

- Assess your current salary to ensure it aligns with IRS guidelines and industry standards for "reasonable compensation."
- Adjust your salary, if necessary, and calculate any additional withholdings for income and payroll taxes before year-end.

### 3. Optimize Retirement Contributions

- Evaluate and contribute to retirement plans (e.g., 401(k), SEP IRA, Roth IRA, defined benefit plans).
- Maximize contributions based on current income and tax brackets.

### 4. Leverage Capital Expenditures

- Identify qualifying purchases (e.g., vehicles, equipment, machinery) for accelerated depreciation.
- Ensure purchases are made before December 31 to claim deductions for 2024.

### 5. Explore Revenue and Expense Timing

- Defer revenue (for cash-basis taxpayers) by delaying invoicing where appropriate.
- Accelerate deductible expenses like rent, utilities, and supplies.

### 6. Capital Gains and Loss Management

- Harvest losses to offset gains or reduce taxable income.
- Evaluate timing for real estate or investment sales, including options like 1031 exchanges.

### 7. Strategic Roth Conversions

- Convert traditional retirement accounts to Roth IRAs to take advantage of current tax rates.
- Analyze the impact of tax sunsets in 2026 on long-term savings.

### 8. Employee Benefits and Tax Deferral Plans

- Set up or maximize deferred compensation plans (e.g., defined benefit or cash balance plans).
- Explore year-end strategies to defer substantial income while saving taxes.

### 9. Compliance Check: 1099s and Contractor Payments

- Collect W-9s from contractors and track payments accurately.
- Reconcile records in software like QuickBooks or Gusto to prepare for 1099 issuance.

### 10. Optimize Financial Operations

- Ensure bookkeeping, payroll, and sales tax filings are accurate and current.
- Consider outsourcing accounting functions to improve efficiency.

### 11. Align Tax Planning with Broader Financial Strategy

- Integrate tax planning with investment, estate planning, and insurance strategies.
- Evaluate tax implications of deferring vs. paying taxes now to maximize future savings.

## Quick Links

**Franchise Services:** [Click to View](#)

**Real Estate Services:** [Click to View](#)

**Tax Prep Checklist:** [Click to View](#)

**Other Worksheets:** [Click to View](#)

**Client Portal:** [Click to View](#)

**Make a Payment:** [Click to View](#)

## II. Other Considerations

### 1. Make Charitable Contributions

- Donate cash or non-cash items (e.g., inventory, equipment) by December 31 to maximize deductions for 2024.
- Keep records of donations, including receipts or appraisals for non-cash contributions.

### 2. Review Home Office Deductions

- Ensure your home office meets IRS guidelines for exclusive and regular business use.
- Track expenses like utilities, internet, and maintenance for accurate deductions.

### 3. Confirm Insurance Premium Deductions

- Verify deductions for business-related insurance premiums, including health, liability, and property insurance.

### 4. Prepay Property or Income Taxes

- Evaluate whether prepaying taxes before December 31 can provide savings under the SALT cap.

### 5. Use Annual Gift Exclusions

- Make tax-free gifts up to the annual exclusion limit (\$17,000 per recipient in 2024) to support estate planning.

## Next Steps

- Schedule a Call:** Schedule a strategic tax planning meeting to ensure a smooth tax season.
- Review Deadlines:** Verify submission deadlines for payroll, 1099s, and estimated tax payments.
- Create a Financial Plan for 2025:** Set clear goals for tax efficiency and operational growth. Review your entity structure and outline strategies for potential business expansions or shifts in your financial landscape.