

Tax planning for businesses

It's never too early to start thinking about tax planning for your business. Getting an early start instead of waiting until year-end gives you more time to speak with your tax advisor and work through any issues that need to be resolved or any questions you may have. And the sooner your company's tax returns are filed, the sooner you can expect them to be processed by the IRS. Use this checklist to help you prepare to tackle your business taxes.

Note: On July 4, 2025, the One Big Beautiful Bill Act (OBBBA) was signed into law, making permanent or modifying several provisions of the 2017 Tax Cuts and Jobs Act (TCJA).

- ☐ **Consider purchasing fixed assets and placing them into service now.** Under the OBBBA, the expanded bonus depreciation has permanently reverted back to 100% for qualifying property acquired after January 19, 2025.
- ☐ **Understand changes to expensing research and development.** The OBBBA has restored the deduction for certain research and experimental expenses that were required to be capitalized beginning in 2022. In addition, certain taxpayers may have opportunities to recover unamortized capitalized amounts for tax years 2022, 2023, and 2024.
- ☐ **Consider retirement plan enhancements.** Employers have until the company's income tax return deadline to adopt or modify a plan that can be treated as if adopted on December 31 of the tax year.
- ☐ **If applicable, take steps to maximize your qualified business income (QBI) deduction.** The OBBBA has made this provision permanent for years after 2025. As a result, it may make sense to pay bonus wages to employees during the current calendar year, or to otherwise change the timing and distribution of income.
- ☐ **Decide whether to update your transfer pricing documentation.** If your company makes transactions with a related party it controls, you likely need a regularly updated transfer pricing study to demonstrate the transactions are priced on an "arm's length" basis.
- ☐ **Continue to monitor ongoing tax situations with the IRS.** IRS backlogs mean many situations have been unresolved for months to years; discuss with your tax team to see if there are ways you can minimize the ramifications of these delays.
- ☐ **Confirm you have necessary financial records for contractors and employees.** Gather mileage logs and expense reimbursements and prepare 1099s or other tax reporting. If you are collecting funds on behalf of third parties, note the OBBBA has increased the threshold for reporting on Form 1099-K to \$20,000, plus 200 transactions.
- ☐ **Meet with your internal accounting and/or bookkeeping team.** Your team should gather documentation, including depreciation schedules for equipment and assets, employment tax documentation (such as W-9s and I-9s), and payroll reports.
- ☐ **Schedule a meeting with your tax advisor.** Please keep in mind that the OBBBA changed or revised many other tax laws not included here. Contact your Kaufman Rossin tax professional before year-end to discuss OBBBA changes and general tax planning for your business.