Summer is winding down, the kids are back in school and another NFL season is underway! I don’t know about you but 2017 has just flown by. Before you know it, the Holidays will be here, the kids will be on winter break and your favorite NFL team will be preparing for the playoffs (Not mine as I am a New York Jets Fan).

It is also time to start thinking about your 2017 taxes. Approximately 1/3 of all Individual Income Tax Returns filed will report income from a Sole Proprietorship, a pass through business entity or a rental property. The following are some deductions that are available to a small business:

**Contributions to a Retirement Account** – You can deduct contributions to a self-employed SEP (simplified employee pension) Plan, a Simple IRA or a Keogh Plan. These deductions can be on Page 1 of your Individual Tax Return or for a small business owner they can be taken on the entity’s tax form. These different plans have their own rules so I suggest talking to a Tax Professional, Financial Advisor or a Plan Administrator.

**Self Employed Health Insurance** – I don’t know about you but for me this is the biggest expense I incur annually. Fear not, as the cost of all premiums for yourself, your spouse and dependents (including dental) as well as Long Term Care Insurance are tax deductible. You just need to show a net profit from your business and the insurance plan must be established under your business.

**Advertising and Promotion** – While I was writing this article I got a call from a Country Club asking if I was interested in having my business name on their brochures. That would be an example of an Advertising Expense. Also advertising in Newspapers, magazine, radio or Television are also deductible. Examples of Promotions are expenses associated with printing of Business Cards, graphics as well as your website.

**Car and Truck** – If you use your car for business, you can deduct mileage or perhaps actual expenses. It is VERY important to keep good records for this. A tax professional can advise you as to which is the better (actual expenses or standard mileage) method for your business.

**Insurance** – Any premium that you pay for business related insurance is deductible. This can be errors and omissions, malpractice, or workers compensation.

**Legal and Professional** – If you have to pay your attorney for something related to your business that is deductible. Payments to payroll services, insurance brokers or consultants are deductible as well. And last but not least what you pay for your friendly neighborhood tax professional is tax deductible.

**Home Office** – In the 1980’s I was working for a CPA Firm which would not take this deduction. The fear was the IRS would visit the homes and if something was out of whack the deduction would be disallowed. Times have changed and as long as the part of your home that you are deducting is your principal place of business it is a good deduction. It is also important to note that the business portion of your home must be solely used for business.

**Office Supplies** – Pens and Paper are example of this. Any supplies that can be classified as necessary and ordinary business expenses are deductible.

**Wellington(or any, but why would you join another?) Chamber of Commerce** – Membership fees in a business organization are deductible as well as paying for any Chamber events or promoting your business. You are looking to grow your business and this is the perfect place.

If you are unsure whether an expense is deductible you have to ask yourself these questions:

* Is it for business use?
* Is it common and accepted for your industry?
* Is it helpful and appropriate for your business?

If the answers are yes than it is a business deduction.

Now you can go back to enjoying the end of summer and remember no white after Labor Day (although Florida has an extension on this law until January)!