TAX SCHOOL

Holiday Tax Tips Checklist for Practitioners & Clients

Charitable Giving

- ☐ Donate to qualified 501(c)(3) organizations before year-end
- ☐ Keep receipts for cash and non-cash donations
- ☐ Track mileage for volunteer work (14¢ per mile in 2025)
- ☐ Consider donating appreciated assets for tax-efficient giving

Employee & Client Gifts

- ☐ Limit business gifts to $25 per recipient per year
- ☐ Avoid cash/gift cards unless you report them as taxable income
- ☐ Use branded promotional items for marketing deductions
- ☐ Document the business purpose of all gifts

Meals & Entertainment

- ☐ Deduct 50% of business-related meals with proper documentation
- ☐ Deduct 100% of employee appreciation meals (e.g., holiday lunch)
- ☐ Avoid entertainment deductions for client events (post-TCJA rules)
- ☐ Keep receipts and note attendees/purpose

Office Celebrations

- ☐ Deduct costs of employee-only holiday parties
- ☐ Include decorations, catering, and entertainment if reasonable
- ☐ Document expenses separately from client entertainment

Clothing & Costumes

- ☐ Deduct only work-required clothing not suitable for everyday wear
- ☐ Costumes for business events may qualify if used exclusively for work
- ☐ Avoid deductions for festive outfits or personal holiday attire

Marketing & Branding

- ☐ Deduct holiday cards with business branding
- ☐ Include social media content creation as a marketing expense
- ☐ Use holiday promotions to engage clients and boost visibility

Year-End Tax Planning

- ☐ Max out retirement contributions (IRA, 401(k), SEP, etc.)
- ☐ Harvest capital losses to offset gains
- ☐ Review income timing to manage tax brackets
- ☐ Use gifting strategies for estate planning
- ☐ Spend down FSAs before forfeiture deadlines

Bonus Tips

- ☐ Don’t deduct personal holiday expenses (meals, travel, decor)
- ☐ Separate business and personal use of items and services
- ☐ Use holidays to educate clients on tax-saving opportunities
- ☐ Keep detailed records—holiday cheer doesn’t excuse poor documentation!