

Client Checklist — S Corporation Return (Form 1120-S)

Tax Year: _____ (filed in 20__)

Legal name: _____ EIN: _____

Business address: _____

State of incorporation/formation: _____ Date formed: //____

Return type: ☐ Original ☐ Amended ☐ Final ☐ Short-year (//____ to //____)

Accounting method: ☐ Cash ☐ Accrual ☐ Other: _____ Tax year: ☐ Calendar ☐ Fiscal
(YE: /)

1) Starter Documents (especially if new client)

- ☐ Prior-year **Form 1120-S** + all schedules and shareholder K-1s
 - ☐ Prior-year depreciation/fixed asset schedule
 - ☐ IRS/state notices received (letters/CP)
 - ☐ Entity documents: Articles/Operating Agreement/Bylaws (if available)
 - ☐ **S-election proof** (Form 2553 acceptance letter), if available
 - ☐ List of states where business operated/has nexus: _____
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2) Shareholders & Ownership (K-1 Setup)

For each shareholder:

- ☐ Legal name, address, SSN/ITIN/EIN
 - ☐ Ownership % at beginning and end of year
 - ☐ Stock changes during year (issuance, sale, redemption) + agreements/closing docs
 - ☐ **Shareholder loans** to/from corporation (begin/end balances, terms, interest)
 - ☐ **Distributions** (cash/property) dates and amounts
 - ☐ Any nonresident shareholders? (state withholding/composite considerations)
 - ☐ Shareholder health insurance paid by S-Corp? (2% shareholder rules)
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3) Income (Provide totals + supporting detail)

- ☐ Sales/receipts (by month if possible)
- ☐ 1099-K / 1099-NEC / 1099-MISC received (all copies)
- ☐ Returns/allowances, discounts
- ☐ Interest/dividend income (statements)
- ☐ Other income (refunds, rebates, credits, insurance proceeds, etc.)

If inventory / COGS applies:

- ☐ Beginning inventory
- ☐ Purchases (net of personal use)
- ☐ Direct labor
- ☐ Materials & supplies
- ☐ Ending inventory + method used

4) Deductions & Expenses (Totals + detail)

Check and provide support for what applies:

- ☐ Officer compensation (W-2 wages)
- ☐ Salaries/wages (non-officers)
- ☐ Payroll taxes
- ☐ Employee benefits (health, life, etc.)
- ☐ Retirement plan contributions (employer portion)
- ☐ Contract labor (include W-9s/1099 filing summary)
- ☐ Repairs & maintenance
- ☐ Rent/lease (office/equipment/vehicles)
- ☐ Advertising/marketing
- ☐ Bank/merchant fees
- ☐ Insurance (GL, workers comp, etc.)
- ☐ Legal & professional fees
- ☐ Office expense / supplies
- ☐ Software/subscriptions
- ☐ Utilities/phone/internet (business portion)
- ☐ Travel (business purpose notes)
- ☐ Meals (who/where/why; business purpose)
- ☐ Interest expense (loan statements)
- ☐ Taxes & licenses
- ☐ Bad debts (if applicable)
- ☐ Charitable contributions (detail/receipts)

- ☐ Other deductions (attach list)

Common S-Corp “special handling” items

- ☐ Personal expenses paid by the corporation (list separately)
 - ☐ Owner reimbursements (accountable plan?)—provide policy and reimbursements
 - ☐ Fringe benefits for >2% shareholders (health insurance, etc.)
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5) Payroll & Officer “Reasonable Compensation”

If the S-Corp has payroll (most do):

- ☐ Payroll provider annual summary
 - ☐ Forms: W-2/W-3, 941s, 940, state payroll filings
 - ☐ Officer payroll details (salary, bonuses, employer benefits)
 - ☐ Health insurance paid by S-Corp for >2% shareholders (amount by person)
 - ☐ Retirement plan setup and contributions (plan type, employer/employee amounts)
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6) Fixed Assets & Depreciation

- ☐ Beginning-of-year asset/depreciation schedule
 - ☐ New asset purchases: date placed in service, description, cost, business use %
 - ☐ Disposals/sales/trade-ins: date sold, proceeds, original cost, accumulated depreciation
 - ☐ Section 179 / bonus depreciation elections desired? ☐ Yes ☐ No
 - ☐ Vehicle info if owned/leased by company (mileage logs if needed)
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7) Bookkeeping / Financial Statements (M-1 & Balance Sheet)

Provide year-end (and ideally prior-year comparative):

- ☐ Profit & Loss (income statement)

- ☐ Balance Sheet
 - ☐ General ledger / trial balance (if available)
 - ☐ Bank statements and reconciliation reports (all accounts)
 - ☐ Credit card statements and reconciliations
 - ☐ Loan statements (principal/interest split) + new debt agreements
 - ☐ A/R and A/P aging (if accrual)
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8) Shareholder Basis, AAA, and Distributions (Key for S-corps)

- ☐ Summary of shareholder distributions (cash + property)
 - ☐ Shareholder loan activity (new loans, repayments, interest)
 - ☐ Separately stated items that affect basis (e.g., charitable, Section 179, etc.)
 - ☐ Prior-year basis schedules (if you have them)
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9) State & Local Filing Requirements

- ☐ States where the S-corp must file returns: _____
 - ☐ Nonresident shareholder withholding required? ☐ Yes ☐ No
 - ☐ Composite return elections? ☐ Yes ☐ No (states: _____)
 - ☐ City/local business tax filings (if applicable)
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10) Credits & Other Items (if applicable)

- ☐ R&D credit documentation
 - ☐ Other federal/state credits (provide forms/support)
 - ☐ Estimated tax payments made by the entity (some states)
 - ☐ Any 1099s issued by the S-Corp (1099-NEC/MISC filing confirmation)
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11) International / K-2 & K-3 (If applicable)

- ☐ Foreign-source income details
 - ☐ Foreign taxes paid/accrued
 - ☐ Foreign owners/investors or foreign activities
 - ☐ Forms/statements received (e.g., 1042-S)
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12) Final Return / Dissolution (If applicable)

- ☐ Date business stopped operations: // ____
 - ☐ Asset sale/liquidation documents
 - ☐ Final payroll and final state registrations/closures
 - ☐ Shareholder final distributions/buyouts
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13) E-file, Signatures, Delivery

- ☐ Authorized signer/officer: _____ Title: _____
 - ☐ Signed e-file authorization forms (as required)
 - ☐ K-1 delivery preference: ☐ Secure portal ☐ Email (if permitted) ☐ Paper
 - ☐ Confirm extension filed? ☐ Yes ☐ No Extension payment? ☐ Yes ☐ No
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Quick Yes/No Questions

- ☐ Any ownership changes during the year?
- ☐ Any new loans, PPP/forgiveness, grants, or large one-time items?
- ☐ Any personal expenses paid through the business?
- ☐ Any operations or employees in new states?