

Tax Planning & Compliance Checklist

PFL Academy - Chapter 2.5: Tax Planning and Compliance

1. Current Life Stage Identification

Check the life stage that best represents your current situation:

- ☐ **Student/Young Adult (18-24):** Focus on education-related tax benefits, part-time employment income, and establishing good record-keeping habits.
- ☐ **Early Career (25-35):** Focus on retirement contributions, major life events (home buying, marriage), and optimizing employment benefits.
- ☐ **Mid-Career (36-50):** Focus on maximizing retirement contributions, education funding for children, and advanced tax-efficient investing strategies.
- ☐ **Pre-Retirement (51-65):** Focus on catch-up contributions, estate planning, and planning for retirement income sources.

Special circumstances that might affect my tax situation (if any):

2. Tax Planning Checklist

Income Tracking

Check all income sources relevant to your situation:

- ☐ W-2 employment income
- ☐ Self-employment/freelance income
- ☐ Investment income (interest, dividends, capital gains)
- ☐ Scholarships or grants
- ☐ Rental income
- ☐ Unemployment compensation

☐ Other: _____

Potential Deductions

Check all deductions potentially relevant to your situation:

- ☐ Education expenses (tuition and fees)
- ☐ Student loan interest
- ☐ Traditional retirement contributions
- ☐ Charitable donations
- ☐ Home mortgage interest
- ☐ Property taxes
- ☐ Medical expenses (if they exceed 7.5% of AGI)
- ☐ Self-employed business expenses
- ☐ Health Savings Account (HSA) contributions
- ☐ Other: _____

Potential Credits

Check all credits potentially relevant to your situation:

- ☐ American Opportunity Credit (education)
- ☐ Lifetime Learning Credit (education)
- ☐ Child Tax Credit
- ☐ Child and Dependent Care Credit
- ☐ Earned Income Tax Credit
- ☐ Retirement Savings Contributions Credit (Saver's Credit)
- ☐ Other: _____

Record Keeping System

Check the components you will implement in your record-keeping system:

- ☐ Digital filing system for tax documents
- ☐ Physical filing system organized by tax year
- ☐ Digital receipt tracking app
- ☐ Regular backup of digital tax records
- ☐ Document retention schedule (which documents to keep and for how long)
- ☐ Expense categorization system

☐ Tax document checklist (expected forms to receive each year)

☐ Other: _____

3. Tax Timeline

Create a timeline for tax-related activities throughout the year. Add specific dates relevant to your situation.

Month	Tax Activities
January	<ul style="list-style-type: none">• Begin receiving tax documents (W-2s, 1099s, etc.)• Organize documents as they arrive•
February	<ul style="list-style-type: none">• Continue collecting tax documents• Review for missing documents•
March	<ul style="list-style-type: none">• Prepare tax return or gather information for tax preparer•
April	<ul style="list-style-type: none">• Tax filing deadline (usually April 15)• First quarter estimated tax payment due (if applicable)•
May	<ul style="list-style-type: none">• Review tax outcome and adjust strategy if needed•
June	<ul style="list-style-type: none">• Mid-year tax review•
July	<ul style="list-style-type: none">• Second quarter estimated tax payment due (if applicable)•
August	<ul style="list-style-type: none">•
September	<ul style="list-style-type: none">• Third quarter estimated tax payment due (if applicable)•
October	<ul style="list-style-type: none">• Extended tax filing deadline (if extension filed)•
November	<ul style="list-style-type: none">• Year-end tax planning• Review potential deductions and credits•

December	<ul style="list-style-type: none"> • Implement year-end tax strategies (charitable giving, deferring income, etc.) • Fourth quarter estimated tax payment due (if applicable) •
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Additional key dates relevant to my situation:

4. Decision Scenario Analysis

Select the scenario most relevant to your situation and analyze the best course of action.

Scenario A (Student)

Situation: You're working part-time while in school and earned \$6,000 this year. Your income is below the filing requirement threshold. Should you file taxes even if not required?

Analysis:

Decision:

Scenario B (Young Professional)

Situation: Your employer offers both Traditional and Roth 401(k) options. You're early in your career, earning \$48,000 annually, and expect your income to increase significantly over time. Which retirement account type might be more advantageous?

Analysis:

Decision:

Scenario C (Mid-Career)

Situation: You're considering buying a home. The mortgage interest would be \$12,000 per year, and property taxes would be \$3,000. The standard deduction for your filing status is \$25,900. Your other itemizable deductions total \$8,000. How might this decision affect your tax situation?

Analysis:

Decision:

5. Implementation Plan

List 3 specific actions you will take in the next month to improve your tax planning:

1.

2.

3.

Resources you'll need (apps, professional advice, etc.):

Date to review your tax strategy again: _____
