The 2025 Tax-Savings Checklist

20 Quick Wins for W-2 Earners, Self-Employed Professionals & Business Owners

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How to Use This Checklist

Go through each section that applies to you. Check off what you're already doing, and circle what you're missing — those are your opportunities. Bring this list to your next tax conversation.

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1. For Every Taxpayer

- ○ **Maximize retirement account contributions** — 401(k), 403(b), Traditional/Roth IRA. Every dollar contributed pre-tax lowers this year's taxable income.
- ○ **Use an HSA if you have a high-deductible health plan** — triple tax advantage: deductible in, grows tax-free, tax-free out for medical expenses.
- ○ **Contribute to a Dependent Care or Health Care FSA** through your employer if eligible — reduces taxable wages.
- ○ **Bunch charitable donations** — combining two years of giving into one (or using a donor-advised fund) can push you over the standard deduction threshold so the gift is actually deductible.
- ○ **Harvest investment losses** before December 31 to offset capital gains (and up to $3,000 of ordinary income).
- ○ **Review your W-4 withholding** if you had a large refund or a large balance due last year — dial it in to avoid interest-free loans to the IRS or underpayment penalties.
- ○ **Check education credits** — American Opportunity Credit or Lifetime Learning Credit if you or a dependent are in school.

- ◯ **Confirm you're claiming all dependents and credits** — Child Tax Credit, Child & Dependent Care Credit, Saver's Credit.

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2. For RSU / Stock Option / Equity Compensation Holders

- ◯ **Know your cost basis** — brokerage 1099-Bs often report an incorrect (too-low) basis for RSU sales, which can cause you to overpay tax if not corrected.
- ◯ **Plan RSU vesting income into your withholding** — many employers under-withhold on vested RSUs, creating a surprise balance due.
- ◯ **Consider timing ISO exercises** carefully around the Alternative Minimum Tax (AMT).
- ◯ **Evaluate qualifying disposition timing** for ISOs (1 year from exercise, 2 years from grant) to convert ordinary income into long-term capital gain.
- ◯ **Watch for a Roth conversion opportunity** in a year between vesting cliffs when income is temporarily lower — see our companion Roth Conversion Guide.

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3. For Self-Employed & Business Owners

- ◯ **Take the home office deduction** if you have a dedicated, regularly-used workspace.
- ◯ **Deduct Section 179 / bonus depreciation** on qualifying business equipment purchased and placed in service this year.
- ◯ **Set up a Solo 401(k) or SEP IRA** — self-employed retirement plans allow significantly higher contribution limits than a standard IRA.
- ◯ **Pay your kids (if legitimate work is performed)** — can shift income to their lower bracket and fund a Roth IRA for them.
- ◯ **Track mileage and vehicle expenses** — actual expense vs. standard mileage rate; run both and take whichever is higher.
- ◯ **Review your entity structure** — S-Corp election can reduce self-employment tax once net profit is high enough to justify payroll costs.
- ◯ **Deduct health insurance premiums** as a self-employed individual, if not eligible for an employer plan.
- ◯ **Make estimated quarterly payments on time** to avoid underpayment penalties as your income grows.

Common Mistakes That Cost Real Money

- Forgetting to adjust withholding after a raise, RSU vest, or bonus
- Missing the deadline to make prior-year IRA/HSA contributions (usually the tax filing deadline)
- Not tracking basis on stock sales, crypto, or business assets
- Waiting until March to think about tax planning — most strategies only work if implemented **before December 31**

Next Step

This checklist is a starting point, not a substitute for a personalized review of your actual return and financial picture.

Want a professional to run through this list against your real numbers?

BookBright Solutions LLC offers a free consultation to identify which of these opportunities apply to you — and a full **Tax Assessment** for a deeper, personalized strategy session.

📞 **Book your free consultation:** www.bookbrightsolutions.com

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This checklist is provided for general educational purposes only and does not constitute tax, legal, or financial advice. Figures and rules shown reflect the 2025 tax year and are subject to change. Please consult with a qualified tax professional before making decisions based on this information.

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