

# The Tax Deduction Checklist for Independent Insurance Agents

*Are you claiming all the business tax deductions available? Use this handy checklist of common deductions to start generating ideas.*

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## Home Office

Use Form 8829 to deduct your home office expenses. If a portion of your home is devoted exclusively to work, you can deduct the costs for that portion of your home, up to the maximum limit. For the simplified option, the maximum is \$5 per square foot or \$1,500 total.

- Mortgage interest
- Homeowners or renters insurance
- Repairs and maintenance
- Rent
- Utilities

## Outside Office

If you have a separate office space (not in your home), you can deduct 100% of your office expenses.

- Rent
- Repairs
- Cost to cancel a lease
- Utilities
- Maintenance

## Office Supplies

In addition to the costs associated with the office itself, you can also deduct costs for various office supplies.

- Paper
- Postage
- Print
- Ink
- Computer

## Marketing Costs

The IRS lets self-employed individuals and small business owners deduct costs incurred to attract or retain clients.

- Leads
- Website design
- Social media and online ads
- Fliers, brochures and other materials
- Website hosting

## Continuing Education

Educational costs to enter a new field of work are NOT tax deductible. However, continuing education costs to maintain your current field of work are deductible.

- Certifications
- Courses
- Training materials
- Professional subscriptions
- State license and renewals
- Professional convention attendance costs

## Travel Expenses

If you use your car for business and personal purposes, you can deduct expenses based on actual mileage. The standard mileage rate for the use of a car for business purposes is 67 cents per mile in 2024, and this covers the costs of depreciation, gas, oil, tires, repairs, tune-ups, insurance and registration. Additional travel expenses may also be deductible.

- Miles driven
- Tolls
- Parking fees
- Taxis
- Hotels
- Flights
- Meals while traveling for business (up to 50%; cannot be "lavish or extravagant")

## Other Business Expenses

Other business expenses may be deductible as long as they are considered "ordinary and necessary."

- Business insurance
- Professional memberships
- Client gifts (up to \$25 per recipient)
- Business meals (up to 50%; cannot be "lavish or extravagant")
- Interest on business loans

## Other Deductions

You may also be able to claim some deductions that aren't directly related to the cost of doing business.

- The employer-equivalent portion of your self-employment tax
- Charitable donations
- Health, dental and long-term care insurance premiums

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