



Record Keeping

Income tax regulations place the burden of proof on the taxpayer. Because of this, to prepare your tax return, you need to keep accurate records that support the income, expenses and credits you report. Generally, these are the same records you use to monitor your business or track your personal finances.

If you operate a business, your records must be available for inspection by the IRS or other tax authority. If the IRS examines any of your tax returns, you may be asked to explain the items reported. A complete set of records will speed up the examination.