How do I resolve possible tax deductions?

To help you maximize your tax deductions, Quicken needs to know what a business expense is for and the type of expense it is. When you enter a business transaction in a way that makes these requirements unclear, Quicken displays a Possibly Deductible link on the In/Out/Profit/Loss snapshot on the Business tab.

This procedure explains how to resolve unspecified business expenses, such as uncategorized transactions. However, you can use the same basic principles to resolve any unspecified business expense or income from any report in which they appear (such as the Tax Schedule or Schedule C reports).

1. Click the **Business** tab.
2. If necessary, click the **Profit/Loss** button.
3. In the **Out** snapshot, click **Possibly Deductible**.
    - **Why don't I see a Possibly Deductible link?**
      This link appears only when you have business expense transactions that are unspecified.

      If you have unspecified business income transactions, resolve them in a Tax Schedule or Schedule C report.
4. Click each unspecified business expense in the Possibly Deductible list, or double-click each expense in a Tax Schedule or Schedule C report. Quicken takes you to the original transaction so you can resolve it.
    - Unspecified business transactions meet one or more of the following criteria. A transaction is considered resolved when it no longer contains any of the following conditions:

        - The transaction uses a category with a Schedule C tax line item, but it does not include a business tag.
            - **How do I resolve this?**
              Quicken needs to know the business this transaction is for. You have two options:
                - Tag the transaction with the appropriate business tag.
                - Edit your business information to select the checkbox named Untagged business transactions belong to this business. Quicken then assumes all transactions belong to this business, even when you don't specifically tag the transaction with a business tag.
        - The transaction has more than one business tag.
            - **How do I resolve this?**
              You have two options:
                - Retag the transaction so it includes a single business tag.
                - Split the category to make each business a separate line.
        - The transaction includes a business tag, but the category does not include a tax line item.
            - **How do I resolve this?**
              You have two options:
                - You can change the category to one that already includes a Schedule C tax line item.
                - You can add a Schedule C tax line item to the category to the transaction.
        - The transaction uses the category named Not Sure Business Expense, or it uses a category with the tax line item Schedule C: Unspecified Business Expense or Schedule C:Unspecified Business Income.
            - **How do I resolve this?**
              You need to assign a category to the transaction that used a valid tax line item.

                - If the transaction uses the **Not Sure Business Expense** category, change the category to one that uses the correct Schedule C tax line item.
                - If the transaction uses a category with the **Schedule C:Unspecified Business Expense** tax line item or the Schedule C:Unspecified Business Income tax line item, change the tax line item to one that is valid.
        - The transaction is an in invoice/receivables or accounts payable account without the appropriate category.
            - **How do I resolve this?**
              You need to assign the appropriate category.
              How do I resolve a transaction?

    ### Notes
        - See your tax professional or another reliable source such as the IRS website for more help determining the correct tax line item.
        - You can see the tax line item associated with Quicken categories in the Tax Line Item column of the **Category List** (choose **Too ls** menu > **Category List**).

Notes

- This feature identifies incomplete business transactions that are potentially deductible so you can resolve them by tax time. Quicken can also help you look for deductions you might not have considered.
- Unresolved transactions are not counted when you transfer Quicken data to tax preparation software.

This feature requires **Quicken Business & Personal**. Learn how you can upgrade Quicken in minutes.