Construction worker tax deduction checklist

Tick W-2, 1099 or both. A payroll-only tradesperson needs the first group; a sub works through the other four.

Client or engagement

W-2 tradesperson

- [ ] Form W-2 from each contractor you worked for
  From 2026, Box 12 code TT is the overtime you can deduct
- [ ] Pay stubs showing overtime hours and rates
  For 2025, every stub with overtime, since the W-2 may not show it
- [ ] Union contract page with the overtime rule
  Double time or daily overtime terms
- [ ] Employer tool allowance or per diem statements
  Paid under the employer's reimbursement plan
- [ ] Form 1099-G for unemployment between jobs
  From the state, for the tax year
- [ ] Form 1098-T for apprenticeship or trade school
  From the school, for courses in the year
- [ ] Tool, boot and union dues receipts
  Only if your state return allows them

1099 income

- [ ] Forms 1099-NEC from general contractors
  One per GC for the tax year
- [ ] Form 1099-K from your card processor
  Homeowner jobs paid by card, at any total
- [ ] Invoices and pay apps to each contractor
  With retainage held and released
- [ ] Business bank statements
  Twelve months, matched to pay apps
- [ ] Tip log for household jobs
  Date, homeowner, amount

Tools, truck and gear

- [ ] Tool and equipment invoices
  Each with the date it went to work
- [ ] Equipment rental invoices
  Lifts, mixers, compactors rented for jobs

- [ ] Truck purchase or lease papers and loan statement
  Plus a photo of the door sticker
- [ ] Log of runs between sites and the supply house
  Date, stops, miles; 2026 trips split at July 1
- [ ] Safety gear receipts
  Hard hat, boots, high-vis, respirator, gloves
- [ ] Materials bought for jobs
  Supply house invoices tagged by job

Out-of-town jobs

- [ ] Lodging receipts
  For jobs expected to last one year or less
- [ ] Meal receipts or per diem day count
  With the job start and end dates
- [ ] Job letter or contract showing expected length
  Supports the temporary job test

Licenses, helpers and tax paid

- [ ] Contractor license, permits, OSHA and certification fees
  Receipts for the year
- [ ] General liability, workers' comp and bond premiums
  Policy invoices
- [ ] Form W-9 from each helper and copies of 1099-NEC sent
  If you paid your own helpers
- [ ] Quarterly tax payments on your draws and last year's return
  Each payment date and amount; the prior Schedule C