FOR ONLINE FITNESS & STRENGTH COACHES

The Coach's Tax Checklist

Twelve deductions coaches routinely miss, the point where an S-corp starts paying for itself, and a simple rule for what to set aside. Most accountants have never worked with an online coaching business and don't know what to ask for. This is what they should be asking.

PART ONE

Twelve deductions coaches routinely miss

Every one of these has to be ordinary and necessary for your business, and you need records to support it. Check the ones you're already claiming — the blanks are where the money is.

- ☐ **Equipment and training gear**
  Racks, bars, plates, bands, turf, sleds. If you use it to train clients or produce content, it's business equipment.
- ☐ **Your training space**
  A garage gym or studio used regularly and exclusively for the business. The rules are specific, and this is one of the most commonly skipped.
- ☐ **Coaching apps and software**
  Trainerize, TrueCoach, Kajabi, your scheduler, email platform, CRM, hosting, storage, and AI tools.
- ☐ **Contractors you pay**
  Editors, VAs, setters, designers, ad buyers, and coaches working under you. Needs a W-9 up front and a 1099-NEC in January.
- ☐ **Self-employed health insurance**
  Premiums for you, your spouse, and dependents. Routinely missed by coaches buying their own coverage.
- ☐ **Apparel, samples, and product costs**
  If you sell apparel or supplements, cost of goods, samples, and shipping are all part of the picture.
- ☐ **Filming and production gear**
  Cameras, lenses, lighting, mics, tripods, editing hardware, and the software behind them.
- ☐ **Certifications, CEUs, and courses**
  Anything that maintains or improves the skills your business already relies on — including the business coaching you buy.
- ☐ **Platform and processing fees**
  Stripe, PayPal, app store cuts, course platform fees. Deduct the gross fees, don't just book the net deposit.
- ☐ **Travel to shoots, seminars, and events**
  Conferences, certification weekends, content trips, competitions you attend for the business. Keep the who-and-why, not just the receipt.
- ☐ **Retirement contributions**
  SEP-IRA or solo 401(k). The single largest lever most profitable coaches have, and it usually sits untouched.
- ☐ **Refunds, chargebacks, and merchant losses**
  Refunded coaching fees and chargeback costs are real reductions. Missing these overstates your income.

WHERE COACHES GET THIS WRONG

Your own gym membership, your own supplements, and your own food are almost never deductible, even though you work in fitness — they're treated as personal whether you're a coach or an accountant. Meanwhile the training space, the camera gear, and the retirement contribution get skipped entirely. Coaches routinely fight for the deductions they can't have and ignore the ones they can.

PART TWO

When an S-corp actually starts paying for itself

As a sole proprietor, your entire net profit is exposed to self-employment tax on top of income tax. An S-corp lets you split that profit into a reasonable salary (still subject to payroll tax) and distributions (not subject to self-employment tax). The savings come from the distribution side.

The rough threshold	Most coaches find the math starts working somewhere around $50,000-$80,000 of net profit — the point where self-employment tax savings clear the added cost of running it.
What it costs to run	A separate business return, payroll processing all year, possible state filing fees, and a bookkeeping standard you have to actually keep. Budget for all of it before you elect.
The catch that matters	You must pay yourself reasonable compensation for the work you do. Paying yourself too little to dodge payroll tax is the most common trigger for an IRS challenge on S-corps.
Where the savings stop	Once your salary passes the Social Security wage base, the marginal saving on distributions drops sharply. The S-corp keeps helping, but the benefit plateaus and the real planning moves elsewhere.

PART THREE

What to set aside from every launch

The reason launch income wrecks people isn't the tax rate — it's that the money arrives and gets spent before anyone calculates what was owed on it. Fix the sequence and the problem mostly disappears.

- ☐ **Open a separate reserve account**
  Not a sub-label in your head. A different account, at a different bank if that helps you leave it alone.
- ☐ **Move a fixed percentage the day money lands**
  A common starting point is 30% of net profit. Lower in a low bracket, higher if you're a high earner in a state with income tax.
- ☐ **Pay quarterly estimates from that account only**
  Federal estimates are generally due in April, June, September, and January. Your state may differ.
- ☐ **Use safe harbor as your floor**
  Paying in at least what you owed last year (a higher share if your income is large) generally protects you from underpayment penalties.
- ☐ **Recalculate after any big month**
  A single $40,000 launch can move you into a different bracket. The percentage you set in January may not survive the New Year rush.
- ☐ **Never borrow from the reserve**
  The moment it becomes a slush fund for ad spend, it stops working — and you find out in April.

One caveat on every number above. Thresholds, wage bases, and deadlines change every year, and your state adds its own rules. Treat this as a framework and confirm current figures for your own situation before you act.

Want a CPA who knows this industry to run it for you?

The Coach's Tax Blueprint is a one-time deep dive into your real numbers. We review your last return and your current books, then spend 90 minutes walking you through exactly what to change — entity, salary, retirement, reserves, and the deductions you've been missing. No retainer, no obligation, and if we don't find you at least what it cost, you don't pay for it.

altius.tax · Erik@altius.tax