



STR TAX STRATEGY CHECKLIST

✨ PHASE 1: FOUNDATION (Weeks 1-2)

- ☐ Analyze your tax situation (W2 income \$150K+?)
- ☐ Calculate potential tax savings with SDO Calculator
- ☐ Research STR-friendly markets & regulations
- ☐ Identify target property price range
- ☐ Secure financing pre-approval
- ☐ Engage qualified CPA familiar with STR strategies



PHASE 2: PROPERTY ACQUISITION (Weeks 3-6)

- ☐ Select property with STR potential (location, amenities)
- ☐ Verify local STR regulations & HOA rules
- ☐ Negotiate purchase with STR contingency
- ☐ Schedule cost segregation study provider
- ☐ Set up dedicated LLC for property
- ☐ Open separate business bank accounts
- ☐ Obtain proper insurance (STR-specific coverage)



PHASE 3: STR SETUP & LAUNCH (Weeks 7-10)

- ☐ Furnish property (keep all receipts - 5-year depreciation!)
- ☐ Install smart locks & security systems
- ☐ Set up high-speed internet & smart TV
- ☐ Create professional listing photos
- ☐ List on Airbnb, VRBO, Booking.com
- ☐ Implement property management software (Hospitable/Guesty)
- ☐ Set up time-tracking system (Toggl/Clockify)
- ☐ Create guest communication templates
- ☐ Establish cleaning & maintenance protocols



PHASE 4: 100-HOUR DOCUMENTATION

Track these qualifying activities:

- ☐ Guest communication & booking management (___hrs)
- ☐ Listing optimization & pricing updates (___hrs)
- ☐ Financial management & bookkeeping (___hrs)
- ☐ Maintenance coordination & inspections (___hrs)
- ☐ Marketing & competitive analysis (___hrs)
- ☐ Strategic planning & education (___hrs)
- ☐ Vendor management & scheduling (___hrs)



TARGET: 100+ hours by December 31st



PHASE 5: TAX OPTIMIZATION (Year 1)

- ☐ Complete cost segregation study (\$3K-\$7K investment)
- ☐ Document 20-40% as 5/7/15-year property
- ☐ Apply 100% bonus depreciation (2025-2027 only!)
- ☐ Calculate total Year 1 depreciation
- ☐ File taxes with Schedule E (active business)
- ☐ Maintain audit-ready documentation file



PHASE 6: COMPLIANCE & PROTECTION

- ☐ Contemporaneous time logs (daily/weekly)
- ☐ Separate business/personal use records
- ☐ Keep all receipts & invoices organized
- ☐ Document property improvements with photos
- ☐ Save all guest communications
- ☐ Track mileage for property visits
- ☐ Maintain 14-day personal use limit
- ☐ Quarterly tax payment adjustments



SUCCESS METRICS TO TRACK

- ☐ Average nightly rate: \$ _____
- ☐ Occupancy rate: _____%
- ☐ Monthly gross revenue: \$ _____
- ☐ Year 1 depreciation: \$ _____
- ☐ Federal tax savings: \$ _____
- ☐ State tax savings: \$ _____
- ☐ Total ROI: _____%



CRITICAL DEADLINES

- Cost Seg Study: Before Dec 31st
- 100 Hours: Complete by year-end
- Bonus Depreciation: Expires 2027
- Tax Filing: April 15th (or extension)



COMMON MISTAKES TO AVOID

- ✗ Mixing personal/business expenses
 - ✗ Poor time documentation
 - ✗ Exceeding 14-day personal use
 - ✗ DIY cost segregation
 - ✗ Waiting until year-end to track hours
 - ✗ Not maintaining separate records
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READY TO SAVE ON TAXES?

This checklist is your roadmap, but every situation is unique. Get personalized guidance from STR tax experts.



Schedule Your STR Tax Strategy Session



cal.com/sdocpa/tax-advisory



Learn More: sdocpa.com/str-tax-strategy-w2-income-offset