

Restaurant Tax Deduction Checklist

A quick-reference guide for U.S. restaurant owners (2025 edition).

Use this to keep your books clean and your deductions accurate. Restaurants move fast — your records shouldn't lag behind.

Food, beverage & kitchen supplies

- Ingredients and raw food purchases
- Non-alcoholic beverages
- Alcohol for resale
- Spices, condiments, and disposables
- Takeout containers, cups, napkins, cutlery
- Ice and water delivery
- Smallwares under the capitalization threshold (utensils, pans, small tools)

Kitchen equipment & maintenance

- Repairs and maintenance on ovens, fryers, grills, walk-ins, dishwashers
- Hood cleaning and ventilation servicing
- Equipment rentals
- Replacement parts — filters, gaskets, wiring, blades
- Depreciable equipment: ovens, refrigerators, POS systems, espresso machines, etc. (Section 179 and bonus depreciation still available in 2025)

Labor & payroll

- Wages for front-of-house and back-of-house staff
- Employer payroll taxes
- Manager salaries
- Host/hostess, line cook, prep cook, dishwasher pay
- Tips paid out to employees
- Training costs and certifications
- Contract labor (with W-9s in place)

Utilities & occupancy

- Electricity, gas, water, and trash service
- Grease trap service
- HVAC and refrigeration repairs
- Pest control
- Rent or lease payments
- Common area maintenance fees
- Property insurance

Marketing, service, & operations

- Food delivery platform fees (DoorDash, Uber Eats, Grubhub)
- POS systems and merchant processing fees
- Website hosting, online menus, and reservation platforms
- Photography, branding, or menu design costs

- Accounting, bookkeeping, and legal fees
- Linen service, uniform cleaning, and towel rental
- Music licensing for in-restaurant audio (BMI, ASCAP, SESAC)

Dining room & décor

- Tables, chairs, and barstools
- Signage and menu boards
- Glassware, flatware, plates
- Artwork or décor (deductible if used for business operations)
- Cleaning products and janitorial supplies

Alcohol-specific expenses

- Liquor license fees (annual renewals)
- Compliance fees and required training (e.g., SERV Safe Alcohol)
- Inventory losses due to breakage or spoilage
- Keg deposits

Capital improvements

- Don't mix these with repairs — these get depreciated.
- Major renovations
- Buildouts and expansions
- Plumbing, electrical, or structural upgrades
- Permanent bar installations
- Walk-in cooler replacements
- Long-term flooring or ventilation upgrades

Loans & interest

- Restaurant equipment loans
- Working capital lines of credit
- Credit card interest used for business expenses
- Real estate or leasehold improvement loans

Miscellaneous & compliance

- Permits and licenses
- Health department fees
- Safety equipment and training
- Uniforms (if required)
- Waste oil disposal
- Fire suppression inspections

Personal vs. business reminder

Restaurants often run multiple cards during busy days — make sure personal charges never hit the business account. If they do, label them quickly so they don't muddy your books.

Final reminder

Restaurant expenses move fast, and margins are thin. Clean categorization helps you understand where money actually goes — labor, food, overhead — and keeps your tax return accurate. Mixing repairs with improvements, or letting personal items slide through the restaurant account, can push your tax bill in the wrong direction. Keep your records steady each week, not just at year-end.

If you want clarity on depreciation, meal inventory handling, or category questions for 2025, our team supports restaurant owners nationwide with bookkeeping and tax work built for busy kitchens.

Questions?

We help businesses nationwide assess pricing, plan income goals, and build sustainable bottom lines.

Email: david@leichtercpa.com

Phone: (443) 934-9220

Web: leichtercpa.com

