

# SCHEDULE C FOR SOLE-PROPRIETORS (1040)

## INCOME FROM BUSINESS OR PROFESSION – SCHEDULE C

Who owns this business?     Taxpayer     Spouse     Joint

Business name \_\_\_\_\_

Business taxpayer identification number \_\_\_\_\_

Business address \_\_\_\_\_  
 \_\_\_\_\_

Principal business or profession \_\_\_\_\_

Method(s) used to value closing inventory:

Cost     Lower of cost or market     Other (describe) \_\_\_\_\_    N/A

Accounting method:

Cash     Accrual     Other (describe) \_\_\_\_\_

	<u>YES</u>	<u>NO</u>
1. Was there any change in determining quantities, costs or valuations between the opening and closing inventory? If yes, attach an explanation.	_____	_____
2. Did you deduct expenses for the business use of your home? If yes, complete <i>office in home</i> schedule provided in this organizer on Page 3.	_____	_____
3. Did you materially participate in the operation of the business during the year?	_____	_____
4. Was any of your investment in this activity at risk?	_____	_____
5. Were any assets sold, retired or converted to personal use during the year? If yes, list assets sold, including date acquired, date sold, sales price, and original cost.	_____	_____
6. Were any assets purchased during the year? If yes, list assets acquired, including date placed in service and purchase price, including trade-in. Include copies of purchase invoices.	_____	_____
7. Was this business still in operation at the end of the year?	_____	_____
8. List the states in which business was conducted and provide income and expenses by state.	_____	_____
9. Provide copies of certification for employees of target groups and associated wages qualifying for Work Opportunities Tax Credit.	_____	_____

10. **PLEASE INDICATE IF YOUR BUSINESS IS INVOLVED IN ANY OF THESE SERVICES:**

**Health; law; accounting; actuarial science; performing arts; consulting; athletics; financial services; brokerage services (including investing and investment management); trading, or dealing in securities, partnership interests, or commodities; and any trade or business where the principal asset of such trade or business is the reputation or skill of one or more of its employees or owners.**

Attach a schedule of income and expenses of the business or complete the following worksheet. Complete a separate schedule for each business and separate out by state if applicable.

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## Income Statement

Income	Amount
Gross receipts or sales	
<i>Less sales returns and allowances</i>	
Other income (List type and amount.)	
Net sales	
Cost of Goods Sold	Amount
Inventory at beginning of year	
<i>Purchases less cost of items withdrawn for personal use</i>	
Cost of labor (Do not include salary paid to yourself.)	
<i>Materials and supplies</i>	
Other costs (List type and amount.)	
Inventory at end of year	
<b>Gross profit (loss)</b>	
Expenses	Amount
Advertising	
Bad debts from sales or services	
Car and truck expenses (Complete Auto Expense Schedule on Page 4)	
Commissions and fees	
Depletion	
Depreciation and Section 179 expense deduction (Provide depreciation schedules.)	
Employee health insurance and other benefit programs (excluding retirement plans)	
Employee retirement contribution (other than owner)	
Self-employed owner:	
a. Health insurance premiums	
b. Retirement contribution	
Insurance (other than health)	
Interest:	
a. Mortgage	
b. Other	
Legal and professional services	
Lobbying expenses	
Office expense	
a. Office supplies	
b. Computer & internet	
c. Postage	
d. Software subscriptions	

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Rent or lease:	
a. Vehicles, machinery, and equipment	
b. Real Estate or Other business property	
Repairs and maintenance	
Supplies	
Taxes and licenses (Enclose copies of payroll tax returns.) Do not include state income tax.	
Travel, meals, and entertainment:	
a. Travel	
b. Meals	
c. Entertainment	
1. Club dues:	
a. Civic club dues	
b. Social or entertainment club dues	
Utilities	
Wages (Enclose copies of W-3/W-2 Forms.)	
Other expenses (List type and amount.)	
a.	
b.	
c.	
<b>Business Use of Home:</b>	
a. Area used regularly and exclusively for business	
b. Total area of home	
c. Depreciation (If you are a new client, please provide a prior depreciation schedule.)	
d. Prorated Expenses (List total amount of expense.)	
1. Homeowners insurance	
2. Property insurance	
3. Mortgage interest	
4. Real estate taxes	
5. Utilities	
6. Other expenses - Itemized	
7. Rent (if you don't own)	
e. Direct Expenses	
1. Repairs & maintenance	
2. Telephone	
3. Other expenses - Itemized	
Total expenses	
<b>Net Income (Loss)</b>	

## SCHEDULE C FOR SOLE-PROPRIETORS (1040)

### DEPRECIATION

	Date Placed in Service	Cost/Basis	Method	Life	Prior Depreciation
House					
Land					
Total Purchase Price					
Improvements (Provide details)					

### AUTOMOBILE EXPENSES - COMPLETE A SEPARATE SCHEDULE FOR EACH VEHICLE.

Vehicle description \_\_\_\_\_

Date placed in service \_\_\_\_\_ Lease term, if applicable \_\_\_\_\_

Cost/Fair market value \_\_\_\_\_

#### Standard Mileage Deduction:

Total business miles \_\_\_\_\_ Average daily round trip \_\_\_\_\_

Total other personal miles \_\_\_\_\_ commuting distance \_\_\_\_\_

Total miles this year \_\_\_\_\_ Total commuting miles \_\_\_\_\_

#### Actual expenses (\*Omit if using standard mileage method)

Gas, oil\* \_\_\_\_\_ Taxes and tags \_\_\_\_\_

Repairs\* \_\_\_\_\_ Interest \_\_\_\_\_

Tires, supplies\* \_\_\_\_\_ Parking \_\_\_\_\_

Insurance\* \_\_\_\_\_ Tolls \_\_\_\_\_

Lease payments\* \_\_\_\_\_ Other \_\_\_\_\_

Did you use the above vehicle in this business less than 12 months? Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, enter the number of months \_\_\_\_\_.

Do you have another vehicle available for personal purposes? Yes \_\_\_\_\_ No \_\_\_\_\_

Do you have evidence to support your deduction? Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, Is the evidence written? Yes \_\_\_\_\_ No \_\_\_\_\_

**Payment for tax preparation services is due prior to filing the return.**