

**INDIVIDUAL TAX ORGANIZER (1040)**

**INCOME FROM BUSINESS OR PROFESSION (Schedule C)**

Who owns this business?     Taxpayer     Spouse     Joint

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

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

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

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

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 explanation.	_____	_____
2. Did you deduct expenses for the business use of your home? If yes, complete office in home schedule	_____	_____
3. Did you materially participate in the operation of the business during the year?	_____	_____
4. Was all 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, basis and gain or loss.	_____	_____
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. _____ _____		
9. Provide copies of certification for employees of target groups and associated wages qualifying for Work Opportunities Credit.	_____	_____
10. Provide information for welfare-to-work credit.	_____	_____

Attach a schedule of income and expenses of the business or complete the following worksheet. Complete a separate schedule for each business.

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### INCOME AND EXPENSES (Schedule C)

Description	Amount
<b>Part I – Income</b>	
Gross receipts or sales	
Returns and allowances	
Other income (List type and amount)	
<b>Part II - Cost of Goods Sold</b>	
Inventory at beginning of year	
Purchases less cost of items withdrawn for personal use	
Cost of labor (Do not include salary paid to yourself)	
Materials and supplies	
Other costs (List type and amount)	
Inventory at end of year	
<b>Part III – Expenses</b>	
Advertising	
Bad debts from sales or services	
Car and truck expenses (Complete Auto Expense Schedule on Page 20)	
Commissions and fees	
Depletion	
Depreciation and section 179 expense deduction (provide depreciation schedules)	
Employee benefit programs (other than Pension and Profit Sharing plans shown below)	
Insurance (other than health)	
Interest:	
a. Mortgage (paid to banks, etc.)	
b. Other	
Legal and professional services	
Office expense	
Pension and profit-sharing plans (employee's portion only)	

CONTINUED

**INDIVIDUAL TAX ORGANIZER (1040)**

**INCOME AND EXPENSES (Schedule C) – CONTINUED**

Rent or lease:	
a. Vehicles, machinery, and equipment	
b. Other business property	
Repairs and maintenance	
Supplies	
Taxes and licenses (Enclose copies of payroll tax returns). No state income tax.	
Travel, meals, and entertainment:	
a. Travel	
b. Meals and entertainment	
Utilities	
Wages (enclose copies of W-3/W-2 forms).	
Lobbying expenses	
Club dues:	
a. Civic club dues	
b. Social or entertainment club dues	
Other expenses (list type and amount)	

COMMENTS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## INDIVIDUAL TAX ORGANIZER (1040)

### OFFICE IN HOME

To qualify for an office in home deduction, the area must be used exclusively for business purposes on a regular basis in connection with your employer's business and for your employer's convenience. If you are self-employed, it must be your principal place of business or you must be able to show that income is actually produced there. If business use of home relates to daycare, provide total hours of business operation for the year.

Business or activity for which you have an office	Total area of the house (square feet)	Area of business portion (square feet)	Business percentage

#### I. DEPRECIATION

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

#### II. EXPENSES TO BE PRORATED:

Mortgage interest	_____
Real estate taxes	_____
Utilities	_____
Property insurance	_____
Other expenses - itemize	_____
	_____
	_____
	_____

#### III. EXPENSES THAT APPLY DIRECTLY TO HOME OFFICE:

Telephone	_____
Maintenance	_____
Other expenses - itemize	_____
	_____
	_____