

SELF EMPLOYMENT **Supplement**



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**SELF-EMPLOYMENT, SOLE PROPRIETOR,
MULTI-LEVEL BUSINESS OPPORTUNITY OR 1099 CONTRACTOR**

CLIENT NAME(s): _____ **TAX YEAR:** _____

Primary person to discuss this business' Sole Proprietor Supplement and tax questions:

Name _____ Work Phone _____ Extension _____
Cell Phone _____ Home Phone _____ Email _____

Do not include information for corporations, partnerships, or W-2 income here. If you operate a childcare or a farm, please obtain the appropriate supplements from our office. If you have more than one business, complete one entire supplement for each business. **DO NOT COMBINE businesses! DO NOT COMBINE years! DO NOT ROUND any amounts!**

SELF-EMPLOYMENT **SOLE PROPRIETORSHIP** **1099 CONTRACTOR**
(check the box that applies)

Owned by _____

Type of business _____

Date started _____

Business name (Print your EXACT business name): _____

Employer ID# (if any) _____

Physical Business Address _____

Are you still operating this business? YES or NO if no, date business closed _____

CIRCLE THE APPROPRIATE ANSWER FOR TAX YEAR BEING PREPARED. ANY YES ANSWER WILL REQUIRE ADDITIONAL INFORMATION. BE AS COMPLETE AS POSSIBLE TO MAXIMIZE YOUR DEDUCTIONS.

- YES NO Do you have an office in your home? If yes, complete Section A.
YES NO Do you use your car in this business? If yes, complete Section B.
YES NO Did you buy or convert from personal use any business-related equipment? If yes, complete Sections C and D.
YES NO Did you sell or convert to personal use any of your business-related equipment? If yes, complete Section E.
YES NO Do you understand that proper records and written mileage & usage logs must be maintained and provided to the IRS in the event of an audit?
YES NO Did you operate your business with the intent to make a profit?
YES NO Are all of your business expenses recorded in this organizer ordinary & necessary for the operation of this business?

START UP COSTS

Start up costs are expenses connected with setting up or investigating the creation or purchase of a trade or business. These expenses occurred before the trade or business begins operation. Start up costs include:

Survey of potential market	\$ _____
Analysis of possible facilities, supplies, labor force, etc.	\$ _____
Advertising the opening of business	\$ _____
Wages of employees being trained	\$ _____
Travel to secure distributors, suppliers or customers	\$ _____
Consulting or other professional fees paid in connection with starting a business	\$ _____
Fees paid to obtain a business	\$ _____

INCOME

Total of your business income <u>NOT INCLUDED</u> on 1099 MISC:	\$ _____
Total of your business income <u>INCLUDED</u> on 1099 MISC:	\$ _____
Refunds to customers (if included in above income)	Amount \$ _____
Bartering income (Yes, bartering income IS taxable.)	Amount \$ _____

EXPENSES

Please list your business expenses. Please Do NOT include expenses for the business use of your home (itemize these in Section A). Do NOT include ANY equipment with a useful life of more than one year (put them in Section D). Do NOT ROUND any amounts!

**DO NOT INCLUDE THESE EXPENSES ANYWHERE ELSE IN THE ORGANIZER –
NO DUPLICATIONS PLEASE!**

Advertising

\$_____ Marketing supplies
\$_____ Newspaper/Yellow Page ads
\$_____ Printing & copies
\$_____ Other List: _____

Bad Debts (If included in income)\$_____

Commissions Paid \$_____

Employee Benefit Programs

\$_____ Education
\$_____ Medical reimbursement
\$_____ Other List: _____

Insurance

\$_____ Business/Liability
\$_____ Self-employed HEALTH

(what is your deductible: _____)

\$_____ Other List: _____

Interest

\$_____ Mortgage Interest
\$_____ Other Interest (business credit card, etc.)

Legal & Professional Services

\$_____ Accounting
\$_____ Legal fees
\$_____ Other List: _____

Office Expense

\$_____ Computer supplies
\$_____ Office supplies – paper, pens, etc.
\$_____ Postage & delivery
\$_____ Other List: _____

Pension/Profit Sharing

\$_____ Pension plans
\$_____ SEP Employee
\$_____ SEP Employer
\$_____ SIMPLE IRA

Rent \$_____ Equipment

\$_____ Office (other than home office)

Repairs & Maintenance (other than house)

\$_____

Taxes \$_____

Licenses \$_____

Business Travel & Lodging \$_____

Meals & Entertainment \$_____

Utilities (If HOME-OFFICE: DO NOT fill in the Following here - Go to Section A)

\$_____ Electric / Gas
\$_____ Garbage / Water

Telephone – Do not include the cost of basic local service on home line.

\$_____ Business and Fax Line(s)
\$_____ Business Long Distance
\$_____ Cellular / Mobile (% business use___)
\$_____ Optional Services (voice mail, call waiting, caller ID, etc.)
\$_____ Pager (% business use___)

Wages PAID TO EMPLOYEES- (W-2's and quarterly 941s filed)

\$_____

Other Expenses

\$_____ Auto Expenses reimbursed to employees
\$_____ Bank service charges for business account
\$_____ Dues / fees
\$_____ Gifts
\$_____ Internet access fees
\$_____ Professional Development (seminars, books, etc.)
\$_____ Subscriptions (magazine & newspapers)
\$_____ _____

INVENTORY and COST OF GOODS SOLD

INVENTORY

Tax Tip: We recommend you reduce inventory by December 31st to minimize tax liability.

Amount based on: (check) Cost Lower of Cost or Market Other: _____

Beginning Inventory (If any)	\$ _____
Cost of items purchased for resale as they are	\$ _____
Cost of items removed for personal use	\$ _____
Cost of labor - include contract labor (<u>not</u> employee or owner wages)	\$ _____
Cost of materials that went into your finished product	\$ _____
End of Year Inventory (If any)	\$ _____

Notes to Tax Preparer regarding inventory:

SECTION A: HOME OFFICE INFORMATION

DO NOT DUPLICATE THE EXPENSES LISTED BELOW ANYWHERE ELSE ON THIS ORGANIZER!

Name of Business Home Office is used for _____
 Rent / Lease or Own Date first used Home Office for business _____

Fair Market Value, including land, on that date \$ _____ Value of land only \$ _____

SQUARE FOOTAGE: Total _____ sq. ft. Business Use _____ sq. ft.

Do you anticipate selling your residence in the next 2 years? YES ___ NO ___

NOTE: PLEASE CALCULATE THE TOTAL AMOUNT FOR THE YEAR FOR EACH ITEM LISTED BELOW. (For a partial year, base totals on the total usage for only the dates you had your home office.)

NO MONTHLY FIGURES.

OWN ONLY: Homeowners Dues \$ _____ Homeowners Insurance \$ _____
 Other expense \$ _____
 (Mortgage Interest & Real Estate Taxes are listed on the main tax organizer)

RENT ONLY: Rent / Lease Payments \$ _____ Renters Insurance \$ _____
 Other expense \$ _____

BOTH OWNERS & RENTERS:

UTILITIES: Electric \$ _____ Water \$ _____ Cable \$ _____
 Alarm \$ _____ Gas \$ _____ Sewer \$ _____
 Other \$ _____

MAINTENANCE SERVICES: Cleaning \$ _____ Lawn \$ _____ Pest Control \$ _____
 Minor Repairs \$ _____ Other \$ _____

MAJOR HOME IMPROVEMENTS OR RENOVATIONS

WORK DONE	DATE	COST	EXCLUSIVE BUSINESS USE?
			Yes No
			Yes No
			Yes No
			Yes No
			Yes No

If Business is closed,

Date stopped using as home office _____ Fair Market Value on that date \$ _____

SECTION B: AUTO INFORMATION

TAX TIP: Auto mileage incurred by someone other than business owner should be reimbursed by the business and listed on page 3 in this supplement as 'auto expenses reimbursed to employees' in order to be deductible. Do not duplicate mileage that has been reimbursed on this page.

IMPORTANT - PROVIDE INFORMATION BELOW FOR VEHICLES USED FOR BUSINESS PURPOSES.

NOTE: If you bought or sold a car you use in business, provide all sales contracts.

Is either vehicle listed below used for more than one business? If yes, make copies of this page and complete ONE PAGE PER BUSINESS. DO NOT DUPLICATE AMOUNTS. DO NOT ROUND any amounts!

	<u>AUTO #1</u>	<u>AUTO #2</u>
Year / Make / Model of vehicle	_____	_____
Date 1 st used for this business	_____	_____
Value on date 1 st used for business	_____	_____
MILEAGE: Total miles for year	_____	_____
Business miles	_____	_____
Commuting miles	_____	_____
Personal miles	_____	_____
EXPENSES: Parking & Tolls	_____	_____
For OWNED vehicles: Interest for year	_____	_____
For LEASED vehicles: Lease payments	_____	_____
If taking actual expenses please give the following:		
Gasoline	_____	_____
Repairs & Tires	_____	_____
Insurance	_____	_____
Tags	_____	_____

If no longer used for this business:

Date stopped using this vehicle _____

Value on date stopped using vehicle _____

These questions must be answered "yes" or "no":

Is another vehicle available for personal use? _____

Was each of the above listed vehicles available for personal use during off-hours? _____

Do you have evidence to support your deduction? _____

Is this evidence written? _____

NOTE: Assets typically have a useful life of 1 year or more.

For example: Office furniture, computer, fax, reference library, tools.

TAX TIP: Exclusive business use of your home office can be jeopardized by assets that are not used as 100% business. Move these assets to another area of your home.

SECTION C: PREVIOUSLY OWNED ASSET INFORMATION

List the following information for equipment / assets previously owned and converted to business use. Cost would be fair market value at time of conversion.

<u>Item</u>	<u>Date placed into service</u>	<u>% Business Use</u>	<u>Cost</u>
1)			
2)			
3)			
4)			
5)			

SECTION D: NEW ASSET INFORMATION

List the following information for all equipment / assets purchased for business.

<u>Item</u>	<u>Date purchased</u>	<u>New or Used</u>	<u>% Business Use</u>	<u>Cost</u>
1)				
2)				
3)				
4)				
5)				

SECTION E: INACTIVE ASSET INFORMATION

List all equipment / assets sold or otherwise no longer used in your business.

<u>Item</u>	<u>Date removed from service</u>	<u>Sale price or current market value</u>
1)		
2)		
3)		
4)		