

Steven E. Burns Financial Services

Federal and State Tax Returns

INDIVIDUAL, CORPORATE, PARTNERSHIP, TRUST, FARM and SMALL BUSINESS RETURNS

Payroll, Audits, Bookkeeping, Sales & Quarterly Taxes, Business Startups, 1099's and W-2's

Sueann Burns, Owner Steven E. Burns, Tax Preparer/Manager

Associates: Carrie Boone 828-223-9765

Carol Ennis 828-248-3514

Clerk: Rhonda Conner

*Sch C: PROFIT OR LOSS FROM BUSINESS 2013

Business Expenses:

- Advertising
- Bad debts
- Mileage and auto expenses
- Travel expenses
- Commissions and fees
- Depreciation
- Interest
- Insurance
- Medical insurance
- Legal and professional services
- Repairs and maintenance
- Supplies
- Taxes and licenses
- Utilities
- Wages and benefits

Meal and Entertainment Expenses: (50% deductible) **KEEP YOUR RECORDS!!! I CANNOT STRESS ENOUGH**

- Meals, entertainment, for clients or fellow workers when you discuss work
- Gifts of \$25 dollars or less, parties, etc
- Keep place, cost, and business purpose (keep as many receipts as possible)
- Petty cash can be used for small expenses usually \$25 or less

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- Computer and cellular phones are deductible business expenses
- Travel expense can claim daily meals of \$42 and incidentals and hotel room
- Travel expense is \$.55 per mile
- Keep date, place, and business purpose

List all property used in business for depreciation purposes...% of business use if less than 100%

A business can lose money for 2 of 5 years, but if losses occur after that appreciation of assets, or proof of attempt to make profit can be required by IRS, so records are essential

OFFICE IN THE HOME DEDUCTION

YOU CAN QUALIFY FOR OFFICE IN THE HOME IF YOU USE AN AREA OF YOUR HOME FOR AN OFFICE EXCLUSIVELY- FOR PAPER WORK, PHONE CALLS, PLANNING, ETC. THIS ALLOWS YOU TO CLAIM MILEAGE FROM THE TIME YOU LEAVE HOME UNTIL YOU RETURN AS LONG AS THE MILEAGE IS BUSINESS RELATED (i.e. DEPOSITS, TO JOBS, VISITS TO CLIENTS, ETC) KEEP RECORD OF DATE, PLACE VISITED, BUSINESS PURPOSE, AND MILEAGE

YOU CAN USE HOURS AND AREA USED FOR DAYCARE AS A DEDUCTION ALSO

Travel expense is \$.565 per mile and you can use more than one vehicle as long as you use one at a time. If you have an employee driving a vehicle and you drive one also, you cannot claim the mileage rate-you must claim actual expenses. You can get around this by paying the employee to use his own vehicle, reimbursing at the rate of \$.55 per mile. Reimbursements are not taxable!!!

Also see SCH C information and FORM 2106 for additional specific information