

Sole Proprietorship Tax Organizer

Business, LLC, Entrepreneur, Contractor, Consultant and all default Schedule C filers

Name of sole proprietor

Use a separate organizer for each business

Name of so	le proprietor					
Business na	nme (if different)			EIN (<i>if applicable</i>)		
Business ac	ldress (if different from home addres	s)		I		
Principal b	usiness activity			Da	te business starte	ed
A	roduct or service					
Yes N		ne business activit	y to realize a profit?			
Yes N			<i>v</i> <u>k</u>			
Yes N	o Has the business reported any	v losses in prior ye	ears?			
Accounting		Other (specify)				
Yes N	o Does the business file under a	calendar year? (If	^c no, list the fiscal year.)			
Sole Propr	ietor Specific Questions					
Yes N		bers for services?				
Yes N			subcontractors, attorneys	s, accountants, director	s, etc.?	
Yes N			, ,			500 or more.
	Name		<i>J</i>	SSN		
	Name			SSN		
Yes N	o Did you make, or do you plar	to make, any con	tributions to a self-emplo	ved retirement plan?		
	Type of plan	, ,	1	· · · · · ·	unt contributed	\$
Yes N		alth/dental insura	nce? If Yes, provide amount	of premiums paid during	the year.	\$
Yes N	, , , ,				<u> </u>	
Yes N			the year?			
Sole Pron	ietor Business Income	0	,			
	pts or sales (<i>if you received Forms</i> 1	1099-NFC list nam	e of naver and amount senar	ately from oross receints	or sales)	\$
Form 109		\$	Form 1099-K	<i>utery from gross receipts</i>	\$	Ψ
Form 109		\$	Form 1099-K		\$	-
	Forms 1099-NEC and 1099-K rece	+	1011111077 K		Ψ	\$
	d allowances	ivea				\$()
	ne (not included in gross receipts ab	0712)				\$
NEC, you a must pay s	NEC. You may receive Form 109 re generally required to file Sche elf-employment (SE) tax on the ir	dule C, Profit or L come.	oss From Business, claim a	ny expenses associated	oyee. If you rece l with the incom	eive Form 1099- le received, and
Sole Propr	ietor Cost of Goods Sold (for ma	nufacturers, whole	salers, and businesses that	make, buy, or sell goods)		1
Inventory a	t the beginning of the year					\$
Purchases						\$
Cost of labor						\$
Materials and supplies						\$
Inventory at the end of the year						\$
Sole Propr	ietor Business Expenses					
Advertising			Meals – busines	Meals – business		
Bad debts			Office supplies	Office supplies		
Bank charges			Start-up costs (j	Start-up costs (first year of business)		
Business licenses			Pension and pr	Pension and profit sharing plans		
Commissions and fees			Rent or lease –	Rent or lease – car, machinery, equipment		
Contract labor*			Rent or lease –	Rent or lease – other business property		\$
Employee benefit programs			Repairs and ma	Repairs and maintenance		\$
Employee health care plans			Supplies (not in	Supplies (not included in inventory cost)		\$
Entertainm	ent	\$	Taxes – payroll'	ł		\$
Gifts			Taxes – propert	у		\$
Insurance (other than health insurance)			Taxes – sales			\$
Interest – mortgage			Taxes – state			\$
Interest – other			Telephone			\$
Internet service			Utilities			
Legal and professional services			Wages*			
Management fees			Other			
		\$				

*Provide copies of Form W-3, Form 940, Form 941, Form 1096, Form 1099-NEC, and any state tax forms filed.

	ess Expenses – L		\$					9	\$
			\$						\$
			\$						\$
			\$						\$
			\$						\$
			\$						\$
			\$					6	\$
			\$					5	\$
			\$					9	\$
			\$					<u>c</u>	\$
Car Expense	S (use a separate fo	orm for each vehicle)							
Make/Mode	1			Da	te car p	laced in servio	ce		
Yes No	Car available for	personal use durin	g off-duty hours?		,				
Yes No			ther cars for person	al use? Dic	l you tı	ade in your ca	ar this year?	Yes 1	No
Yes No			*		Cost of trade-in \$		Trade-ir	n value	
Yes No	Is your evidence	written?		\$			\$		
	-	Mileage				1	Actual Expen	ses	
Beginning of	year odometer			Ga	s/oil		\$		
End of year c	odometer			Ins	urance		\$		
Business mile	eage			Par	king fe	es/tolls	\$		
Commuting	mileage			Reg	gistratio	on/fees	\$		
Other mileag	e			Rep	Repairs \$				
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Depreciation. Depreciation is the annual deduction that allows you to recover the cost or other basis of your business property over a certain number of years. Depreciation starts when you first use the property in your business. It ends when you either take the property out of service, deduct all your depreciable cost or basis, or no longer use the property in your business. The IRS has outlined a useful life (a set number of years) for most assets.

Equipment Sold or Disposed of During Year				
Asset	Date out of service	Date sold	Selling price/FMV	Trade-in?
			\$	
			\$	
			\$	
			\$	

Disposition of Property. A disposition of property occurs when you sell property for cash or other property, you exchange property for other property, you transfer property to satisfy a debt, you abandon property, your bank forecloses or repossesses your property, or your property is damaged, destroyed, or stolen and you receive property or money in payment.

Business Use of the Home

Area of home must be exclusively used for business except for storage or day care. *Note:* Managing rental activities or investments does not qualify for business use of the home.

2111 1uxpuyers	Tor Day care only	Tor Day care only		
A) Business use area (square footage)	1) Hours used for day care			
B) Total area of home (square footage)	2) Total hours in year	8,760 hrs.		

For Day Care Only

Enter below only the expenses paid during the period the home was used for business.

Direct expenses benefit only the business use portion of the home. This includes painting or repairs exclusively for the business area.

Indirect expenses are for keeping up and running the entire home, such as mortgage interest and property taxes. If you bought or sold your home during 2017, copy this worksheet and fill out one for each home.

II you bought of solu your i	ionie during 2017, copy	uns worksheet ar	iu iii out one foi each nome.		
	Direct	Indirect		Direct	Indirect
Mortgage interest	\$	\$	Repairs and maintenance	\$	\$
Property taxes	\$	\$	Utilities	\$	\$
Insurance	\$	\$	Other	\$	\$
Rent	\$	\$	Other	\$	\$
Depreciation of the Home					
Lower of cost or fair market value of home		\$	Improvements?	Yes No	
Value of land		\$	Casualty losses?	Yes No	

1) Exclusive Use Test—Business Use of Home

The exclusive use test is met if an area of the home is used only for business. The area can be a room or other separately identifiable space. The space does not need to be marked off by a permanent partition. This test is not met if the taxpayer uses the area both for business and for personal purposes, such as a den used for business during the day and TV viewing during the evening. Storage of inventory or product samples—exception to exclusive use test. A taxpayer using part of a home for business to store inventory or product samples is not required to meet the exclusive use test. However, the taxpayer must meet all the following tests.

- The taxpayer is in the business of selling products at wholesale or retail.
- The inventory or product samples are kept in the home for use in the business.
- The taxpayer's home is the only fixed location of the business.
- The storage space is used on a regular basis.
- The storage space is a separately identifiable space suitable for storage.

2) Regular Use Test—Business Use of Home

The exclusive use test is not required for:

• A home used as a day care facility.

product samples.

The regular use test means a taxpayer must use a specific area of the home for business on a regular basis. Incidental or occasional business use is not regular use. All facts and circumstances are considered in determining whether the business use is regular.

3) Trade or Business Use Test—Business Use of Home

· An area used on a regular basis for storage of inventory or

To satisfy the trade or business use test, the portion of the home used for business must be used in connection with a trade or business. If the business use is for a profit-seeking activity that is not a trade or business, the deduction is not allowed.

4) Principal Place of Business Test—Business Use of Home

A trade or business can have more than one location. To qualify for a business use of home deduction, the home must be the principal place of business for that trade or business. To make this determination, the following are considered. A home office qualifies under this test if:

- The home office is used exclusively and regularly for administrative or management activities of the trade or business.
- There is no other fixed location where substantial administrative or management activities are conducted.
- The relative importance of the activities performed at each place where business is conducted, and
 The amount of time spent at each place where business is

Self-Employment (SE) Tax

conducted.

- SE tax is a Social Security and Medicare tax primarily for individuals who are self-employed. It is similar to the Social Security and Medicare tax withheld from the pay of most wage earners. Your payments of SE tax contribute to your coverage under the Social Security system. Social Security coverage provides you with retirement benefits, disability benefits, survivor benefits, and hospital insurance (Medicare) benefits.
- You must pay SE tax if your net earnings from self-employment were \$400 or more, or you had church employee income of \$108.28 or more. The SE tax rules apply no matter how old you are and even if you are already receiving Social Security or Medicare benefits.
- For 2020, the SE tax rate on net earnings is 15.3% (12.4% for Social Security plus 2.9% for Medicare). Only the first \$137,700 (2020) of combined wages, tips, and net earnings is subject to the 12.4% Social Security part of SE tax.