

Sole Proprietorship Tax Organizer

Use a separate organizer for each business

Sole Proprietor General Information

Name of sole proprietor	
Business name (if different)	EIN (if applicable)
Business address (if different from home address)	
Principal business activity	Date business started
Principal product or service	
Yes No	Was the primary purpose of the business activity to realize a profit?
Yes No	Did you materially participate in the operation of this business?
Yes No	Has the business reported any losses in prior years?
Accounting method: Cash Accrual Other (specify)	
Yes No	Does the business file under a calendar year? (If no, list the fiscal year.)

Sole Proprietor Specific Questions

Yes No	Did you pay any family members for services?
Yes No	Did you make any payments of \$600 or more to subcontractors, attorneys, accountants, directors, etc.?
Yes No	If Yes, did you issue Form 1099-MISC? List name and social security number (SSN) for each person to whom you paid \$600 or more.
	Name SSN
	Name SSN
Yes No	Did you make, or do you plan to make, any contributions to a self-employed retirement plan?
	Type of plan Amount contributed \$
Yes No	Did you pay for your own health/dental insurance? If Yes, provide amount of premiums paid during the year. \$
Yes No	Did you have any employees?
Yes No	Did you have any bartering transactions in 2018?

Sole Proprietor Business Income

Gross receipts or sales (if you received Forms 1099-MISC, list name of payer and amount separately from gross receipts or sales)		\$
Form 1099-MISC	\$	Form 1099-K \$
Form 1099-MISC	\$	Form 1099-K \$
Total of all Forms 1099-MISC and 1099-K received		\$
Returns and allowances		\$()
Other income (not included in gross receipts above)		\$

Form 1099-MISC. You may receive Form 1099-MISC (instead of Form W-2) if you are not classified as an employee. If you receive Form 1099-MISC, you are generally required to file Schedule C, Profit or Loss From Business, claim any expenses associated with the income received, and must pay self-employment (SE) tax on the income.

Sole Proprietor Cost of Goods Sold (for manufacturers, wholesalers, and businesses that make, buy, or sell goods)

Inventory at the beginning of the year	\$
Purchases	\$
Cost of labor	\$
Materials and supplies	\$
Inventory at the end of the year	\$

Sole Proprietor Business Expenses

Advertising	\$	Meals – business	\$
Bad debts	\$	Office supplies	\$
Bank charges	\$	Start-up costs (first year of business)	\$
Business licenses	\$	Pension and profit sharing plans	\$
Commissions and fees	\$	Rent or lease – car, machinery, equipment	\$
Contract labor*	\$	Rent or lease – other business property	\$
Employee benefit programs	\$	Repairs and maintenance	\$
Employee health care plans	\$	Supplies (not included in inventory cost)	\$
Entertainment	\$	Taxes – payroll*	\$
Gifts	\$	Taxes – property	\$
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-MISC, and any state tax forms filed.

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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.

All Taxpayers		For 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.

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.

	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 in 2018?	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.

The exclusive use test is not required for:

- An area used on a regular basis for storage of inventory or product samples.
- A home used as a day care facility.

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 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

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.

- 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 conducted.

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.

Car Expenses (use a separate form for each vehicle)

Make/Model		Date car placed in service	
Yes	No	Car available for personal use during off-duty hours?	
Yes	No	Do you (or your spouse) have any other cars for personal use?	
Yes	No	Do you have evidence?	
Yes	No	Is your evidence written?	
		Cost of trade-in	Trade-in value
		\$	\$
		<i>Mileage</i>	
		<i>Actual Expenses</i>	
Beginning of year odometer		Gas/oil	\$
End of year odometer		Insurance	\$
Business mileage		Parking fees/tolls	\$
Commuting mileage		Registration/fees	\$
Other mileage		Repairs	\$

Generally, you can use either the standard mileage rate or actual expenses to figure the deductible costs of operating your car for business purposes. However, to use the standard mileage rate, it must be used in the first year the car is available for business. In later years, you can then choose between either the standard mileage rate method or actual expenses.