

INCOME TAX QUESTIONNAIRE FOR SELF-EMPLOYED INDIVIDUALS

Taxpayer Name: _____

Tax Year: _____

Phone: _____

Email: _____

INCOME FROM BUSINESS ACTIVITIES:

Total Income Reported on Forms 1099 \$ _____

Other Business Income \$ _____ Describe _____

IF YOU SELL PRODUCTS

Products Purchased For Resale \$ _____ Ending Inventory @ Cost \$ _____

EXPENSES RELATING TO BUSINESS ACTIVITY:

Advertising _____ Pension: Employees _____ Utilities: Office _____

Commissions Paid _____ Pension: Self _____ Wages W-2 Employees _____

Contract Labor _____ Rent: Equipment _____ Bank Fees _____

Employee Benefits _____ Rent: Office _____ Referral Fees _____

Insurance: Business _____ Repairs & Maintenance _____ Telephone _____

Health Ins: Self _____ Supplies _____ Business Gifts _____

Health Ins: Empl _____ Licenses _____ Postage & Delivery _____

Interest Expense _____ Taxes: Bus Per Prop _____ Dues & Memberships _____

Legal & Prof Fees _____ Travel & Lodging _____ Education & Seminars _____

Office Expenses _____ Meals _____ Printing _____

Office Equipment _____ Entertainment _____ Other (Describe): _____

AUTOMOBILE EXPENSES & OFFICE IN HOME EXPENSES

You must complete the Automobile Expense or Office in Home Expense summary forms.

EXPLANATION OF COMMON EXPENSE ITEMS

The most common reason for being audited is failing to break down your expenses into a sufficient number of separate categories.

Advertising: Newspaper ads, brochures, signs, flyers, etc.

Bank Fees: If you have a separate checking account for business purposes.

Commissions Paid: Commissions paid by you to other businesses or other fee splitting arrangements if the total commission was reported to you.

Dues & Memberships: Dues and memberships that are business related. Country club initiation fees are not deductible.

Entertainment & Meals: Must be business related and you must save receipts showing who was entertained and why.

Legal and Accounting: Professional fees directly related to your business. Tax preparation fees relating to your Schedule C.

Telephone: No deduction is allowed for any portion of the base monthly charge on your first phone line. Additional phone lines or special features that you have for business reasons may be fully deductible. The IRS requires that you document personal versus business use of mobile phones.

Client Gifts: Include closing or other gifts given to clients, referral sources, bank agents, etc. up to \$25 per individual.

Insurance: Home owners rider for clients on premises and any other business insurance. You must list your health insurance separately from any insurance provided to employees. Do not include auto or home insurance here.

Printing & Stationary: Business cards, Christmas cards, letterhead and envelopes.

Postage & Delivery: Include courier, federal express, stamps, fax charges.

Referral Fees: Cash or gifts given to others for providing referrals even if the referral does not lead to a commission.

Publications: Professional and business journals, books, newspapers, magazines, etc.

Licenses & Taxes: Professional and business licenses. Personal property tax on business assets.

Office Equipment: Answering machines, file cabinets, fax machines, computers, etc. Give detail if large amount.

Travel Expenses: Travel & lodging to out-of-town conventions, customers, clients, suppliers, seminars, etc.

Pension - SEP or Keogh: If you are unsure as to the maximum amount that you may deduct, please indicate that you want us to calculate the maximum for you or that you want us to call you to discuss it first.

Cost of Goods Sold: Give total cost of goods purchased for resale and the amount still on hand in ending inventory.