SELF EMPLOYED SCHEDULE C

Income

Gross ____________

Expenses

- Advertising ____________
- Printing ____________
- Contract Labor ____________
- Legal & Professional Fees ____________
- Office Expenses ____________
- Repairs & Maintenance ____________
- Supplies ____________
- Meals with Customer ____________
- Long Distance Phone Charges ____________
- Cell Phone ____________
- Education ____________
- Publications ____________
- Postage ____________
- Sales & Promotions ____________
- Wages Paid ____________
- Other ________________ ____________
- Other ________________ ____________
- Other ________________ ____________

Insurance

- Business Liability ____________
- Health ____________
- Workers Comp. ____________
- Employee ____________
- Other ________________ ____________

Interest

- Building ____________
- Credit Card (business) ____________
- Other ________________ ____________

Rent or Lease Payments

- Equipment ____________
- Storage ____________
- Building ____________
- Other ________________ ____________

Travel

- Hotels ____________
- Airfare ____________
- # of Overnight Stays for Business ____________
- Taxi ____________
- Car Rental ____________
- Other ________________ ____________

Taxes & License

- Business ____________
- Property ____________
- Trade License ____________
- Other ________________ ____________

Office In Home ____________

- Mortgage Interest ____________
- Property Taxes ____________
- Home Insurance ____________
- Heat ____________
- Electric ____________
- Water/Sewer ____________
- Cable/Dish ____________
- Internet ____________
- Additional Line ____________
- Telephone (Long Distance Only) ____________
- Other ________________ ____________

Square Footage of Home ____________

Square Footage of Office ____________

Date first used as office ____________

Office In Separate Location

- Internet ____________
- Electric ____________
- Water ____________
- Heat ____________
- Telephone ____________
- Other ________________ ____________

Inventory

- Beginning Inventory ____________
- Goods / Materials Purchased ____________
- Ending Inventory ____________

Vehicle

Standard Mileage Method

- Business Miles ____________
- Interest ____________
- Parking ____________
- Tolls ____________
- Car Washes ____________

Actual Expense Method

- Fuel ____________
- Insurance ____________
- Repairs ____________
- Lease Payments ____________
- Plates ____________

Equipment Purchased

Date	Amount	Description	New or Used?

IRS RECORDKEEPING REQUIREMENTS

Period of Limitations that apply to income tax returns
1. Keep records for 3 years if situations (4), (5), and (6) below do not apply to you.
2. Keep records for 3 years from the date you filed your original return or 2 years from the date you paid the tax, whichever is later, if you file a claim for credit or refund after you file your return.
3. Keep records for 7 years if you file a claim for a loss from worthless securities or bad debt deduction.
4. Keep records for 6 years if you do not report income that you should report, and it is more than 25% of the gross income shown on your return.
5. Keep records indefinitely if you do not file a return.
6. Keep records indefinitely if you file a fraudulent return.
7. Keep employment tax records for at least 4 years after the date that the tax becomes due or is paid, whichever is later.

Are the records connected to property?
Generally, keep records relating to property until the period of limitations expires for the year in which you dispose of the property. You must keep these records to figure any depreciation, amortization, or depletion deduction and to figure the gain or loss when you sell or otherwise dispose of the property. If you received property in a nontaxable exchange, your basis in that property is the same as the basis of the property you gave up, increased by any money you paid. You must keep the records on the old property, as well as on the new property, until the period of limitations expires for the year in which you dispose of the new property.

Supporting Business Documents
Purchases, sales, payroll, and other transactions you have in your business will generate supporting documents. Supporting documents include sales slips, paid bills, invoices, receipts, deposit slips, and canceled checks. These documents contain the information you need to record in your books. It is important to keep these documents because they support the entries in your books and on your tax return. You should keep them in an orderly fashion and in a safe place. For instance, organize them by year and type of income or expense.
The following are some of the types of records you should keep:
Gross receipts are the income you receive from your business. You should keep supporting documents that show the amounts and sources of your gross receipts. Documents for gross receipts include the following:

- Cash register tapes
- Deposit information (cash and credit sales)
- Receipt books
- Invoices
- Forms 1099-MISC

Purchases are the items you buy and resell to customers. If you are a manufacturer or producer, this includes the cost of all raw materials or parts purchased for manufacture into finished products. Your supporting documents should show the amount paid and that the amount was for purchases. Documents for purchases include the following:

- Canceled checks or other documents that identify payee, amount, and proof of payment/electronic funds transferred
- Cash register tape receipts
- Credit card receipts and statements
- Invoices

Expenses are the costs you incur (other than purchases) to carry on your business. Your supporting documents should show the amount paid and a description that shows the amount was for a business expense. Documents for expenses include the following:

- Canceled checks or other documents that identify payee, amount, and proof of payment/electronic funds transferred
- Cash register tapes
- Account statements
- Credit card receipts and statements
- Invoices

Travel, Transportation, Entertainment, and Gift Expenses
If you deduct travel or transportation expenses, you must be able to prove (substantiate) certain elements of expenses.
If you choose to use the standard mileage for deducting your vehicle expenses you must keep a detailed mileage log which documents the following:

1. Date of the trip
2. Where the trip started
3. Where the trip ended
4. The number of round trip miles
5. The business reason for the trip

For additional information, refer to Publication 463, Travel, Entertainment, Gift, and Car Expenses.

Assets are the property, such as machinery and furniture, that you own and use in your business. You must keep records to verify certain information about your business assets. You need records to compute the annual depreciation and the gain or loss when you sell the assets. Documents for assets should show the following information:

- When and how you acquired the assets
- Purchase price
- Cost of any improvements
- How you used the asset
- When and how you disposed of the asset
- Selling price
- Expenses of sale

The following documents may show this information.

- Purchase and sales invoices
- Real estate closing statements
- Canceled checks or other documents that identify payee, amount, and proof of payment/electronic funds transferred