



# H & R Pye's Tax Service

## 2011 BUSINESS CHECKOFF LIST

Bath, Maine Telephone 207-443-6183 (outside local calling area 1-877-793-7829)

Please note if you are planning to mail in or drop off your tax information and papers - instead of having an appointment with us - **YOU MUST ANSWER ALL of the questions on this Checkoff list**. Simply checking off or Xing the questions does not tell us what we need to know. Please put down the answer, not applicable or none. If you need more room please attach a separate piece of paper and number your answers according to the question.

If you are a Real Estate Agent, a Long Haul Trucker, a Commercial Fisherman, a Day Care Operator, or have Rental Property we have a special Checkoff list to help you prepare for your tax appointment. Please call us and we will send the appropriate one to you.

- A **TOTAL INCOME FOR BUSINESS** - whether paid by check or cash. Report only what you received in 2011. If the work was done in 2011 but you were not paid until 2012, then that is 2012 income. If you are reporting your income on the accrual basis we also need to know your accounts receivable at 12/31/10 and 12/31/11.
- B **EXPENSES**
- 1 **If you want us to do your W-2s and/or 1099s we need the information by January 21, 2012. These statements must be mailed to the recipients by January 31, 2012.**
  - 2 Advertising - newspapers, business cards, shirts - hats, team sponsors. Yellow page advertising should be on your telephone bill. Also see donation explanation
  - 3 Car & Truck Expenses - you can deduct the cost of using your vehicle for business. You will either use the IRS standard mileage rate of \$.51 for mileage January 1st to June 30th and \$.555 for your mileage from July 1st to December 31st or your actual expenses such as gas, oil, repairs, insurance etc. **Regardless** of which method you use, we need your business miles **and** the total of all miles for the year for each vehicle you use because both of these methods use only the business portion as a deduction. We will also need your business vehicle's excise tax and any interest paid.
  - 4 Donations - to non profit organizations made in your business name. The IRS says that individual business owners can not take a business deduction for donations they make - however if you get **recognition in writing** for your donation (such as a published list of thank yous to sponsors, a listing in a program etc) than that qualifies as advertising and you can get a tax deduction for that type of donation.
  - 5 Equipment Purchases - any major purchases you made (this would include any items you bought which will last for more than one year). Please list each item separately and provide date bought, cost, description and if you traded anything towards it we will also need to see the paperwork showing the trade in allowance.
  - 6 Equipment Sold - did you sell (or abandon) any business equipment in 2011 that you had bought in previous years? We will need to know what was sold, date sold, and how much you received.
  - 7 Freight - the cost of shipping out your product.
  - 8 Insurance - this may include business liability, worker's compensation. Please list separately.
  - 9 Interest Paid On Business Loans - such as start up loans, equipment loans, and credit cards used solely for your business.
  - 10 Leased Equipment - if you have leased any equipment to be used in your business we will need to see the paper work on the lease. The equipment might be a vehicle, construction equipment or office equipment.
  - 11 Legal & Professional fees - lawyers, permits, accountants, tax preparation.
  - 12 Materials & Supplies - that end up as part of your finished product. We also need your ending inventory balances at **your cost**. Please take your inventory as close to the end of the year as possible.

***MORE QUESTIONS ON OTHER SIDE***

*Help us save a tree, please bring this Checkoff with you*

13 Office In Your Home - if you qualify for this deduction we will need to know:

Number of rooms in your home	Or	Square footage of your home
Number of rooms used for your business		Square footage of area used for business

We will also need to know the cost of running your home:

Heat \_\_\_\_\_ Electricity \_\_\_\_\_ Wood \_\_\_\_\_ Water \_\_\_\_\_ Sewer \_\_\_\_\_  
Pump Septic \_\_\_\_\_ Home owner's insurance \_\_\_\_\_ Cable/Internet \_\_\_\_\_ etc

- 14 If this is your first year with an office in the home we will also need a copy of your property tax bill and how much you have invested in your home (original purchase and improvements). If you have ever depreciated it before we will need the information on that as well.
- 15 Office Expenses - envelopes, paper, pens, office supplies, postage, business bank fees etc.
- 16 Outside Labor - the amount you paid people who were not on your payroll to help you in your business. If you have paid anyone \$600 or more for services than you must give them a 1099 misc. statement.
- 17 Rent Of Machinery Or Equipment - used in your business for a short period of time.
- 18 Rent - on other business property such as the building or land that your business uses.
- 19 Repairs - to all of your business equipment whether it's office equipment or equipment to do your job.
- 20 Repairs - improvements or repairs to land and/or building that is used in your business.
- 21 Supplies - miscellaneous tools or materials - such as cleaning supplies, small inexpensive tools (saw blades, paint brushes, sand paper, screw drivers, glue, etc)
- 22 Taxes - such as equipment taxes and registration fees, sales tax (if not already included in one of the other areas), property taxes on business, etc. Please list separately.
- 23 Telephone and cellular phones - if you run your business out of your home and you have only one phone line, then we need the total of your long distance business calls. If you have 2 phone lines into your home, then you can pick one to be your business phone (for tax purposes) and the other will be personal (you will still be able to have a deduction for any long distance business calls made on either line but in addition you will get the basic phone service as a deduction on the 'business' line. If you have a cellular phone you may deduct 100% of the cost if it is used 100% for your business, otherwise you will only be able to deduct the business percentage.
- 24 Travel For Business Purposes - airfare, motel, **meals (must be listed separately)**, tolls, parking, etc
- 25 Medical Insurance - if you are self-employed and pay for your own medical insurance we need to know how much you pay and who you pay.

***Generally, any thing you have spent for your business is probably a tax deduction for your business. Since every business is unique you may have some items that we have not mentioned above. Please write them down and tell us about them.***