

WEALTH BUILDING DEDUCTIONS

Business expenses must be ordinary and necessary for your business. If the expense was partly for business and partly for personal, you'll need to allocate it between the business and personal portion. You can only deduct business expenses. You must have enough records or related documents to support the business expenses

GENERAL DEDUCTIONS

- ▶ advertising
- ▶ bad debts from sales or services (accrual method)
- ▶ bank fees on business accounts
- ▶ car and truck expenses (the standard mileage method and the actual cost method)
- ▶ commissions and fees
- ▶ credit card annual fee
- ▶ cost of goods sold
- ▶ depreciation
- ▶ dues for trade associations and other not-for-profit, business related organizations
- ▶ employee benefits (compensation for employee services)
- ▶ education expenses reimbursed to employees
- ▶ gifts to customers, suppliers, etc. (limited to \$25 per customer)
- ▶ home office expenses (insurance, real estate taxes, mortgage interest, repairs and maintenance, annual cost of utilities; limited to net business income)
- ▶ insurance (casualty and liability)
- ▶ interest (except home or auto)
- ▶ legal and professional services
- ▶ meals and entertainment (limited to 50% deduction)
- ▶ magazines and books for business purposes
- ▶ medical expenses reimbursed to employees
- ▶ office expenses
- ▶ pension and profit-sharing plans
- ▶ publications
- ▶ rent or lease expenses
- ▶ repairs and maintenance
- ▶ services performed by independent contractors
- ▶ supplies and materials (not included in cost of goods sold)
- ▶ taxes & licenses (other than home or auto)
- ▶ travel expenses
- ▶ utilities
- ▶ uniforms or special work clothing (i.e. steel toed boots or coveralls)
- ▶ wages of employees
- ▶ travel
- ▶ cleaning & maintenance
- ▶ commissions
- ▶ insurance
- ▶ legal/professional fees
- ▶ management fees
- ▶ real estate taxes
- ▶ property taxes
- ▶ mortgage interest
- ▶ mortgage interest/PMI
- ▶ repairs
- ▶ supplies
- ▶ utilities
- ▶ seminars and conferences
- ▶ printing, copying, and fax charges
- ▶ permits & fees
- ▶ telephone (business line)
- ▶ cell phone
- ▶ voicemail
- ▶ pager

POSSIBLE REAL ESTATE BUSINESS DEDUCTIONS

- ▶ advertising
- ▶ auto (miles)
- ▶ travel
- ▶ cleaning & maintenance
- ▶ commissions
- ▶ insurance
- ▶ legal/professional fees
- ▶ management fees
- ▶ real estate taxes
- ▶ property taxes
- ▶ mortgage interest
- ▶ mortgage interest/PMI
- ▶ repairs
- ▶ supplies
- ▶ utilities
- ▶ seminars and conferences
- ▶ printing, copying, and fax charges
- ▶ permits & fees
- ▶ telephone (business line)
- ▶ cell phone
- ▶ voicemail
- ▶ pager
- ▶ internet access
- ▶ web hosting
- ▶ supplies
- ▶ software
- ▶ postage, delivery, and freight costs
- ▶ seminars and conferences
- ▶ printing, copying, and fax charges
- ▶ small tools
- ▶ permits & fees
- ▶ telephone (business line)
- ▶ cell phone
- ▶ voicemail
- ▶ pager

POSSIBLE E-COMMERCE BUSINESS DEDUCTIONS

- ▶ internet access
- ▶ web hosting
- ▶ supplies
- ▶ software
- ▶ postage, delivery, and freight costs
- ▶ seminars and conferences
- ▶ printing, copying, and fax charges
- ▶ small tools
- ▶ permits & fees
- ▶ telephone (business line)
- ▶ cell phone
- ▶ voicemail
- ▶ pager