

PROFIT-AND-LOSS-FROM-BUSINESS WORKSHEET

**Important Notes:**

1. Danbury VITA requires taxpayers who wish to claim profit and loss from a business complete this worksheet before seeing a tax preparer. A VITA tax preparer will use this information to prepare your tax return **after securing site administrator approval.**
2. Danbury VITA cannot prepare tax returns for businesses that have inventory, employees, contract labor, depreciation, business use of a home, expenses over \$10,000, or a net loss. Your accounting method must be based on "cash" and not "accrual." Expenses for cars may only be claimed based on the standard mileage deduction, not on actual expenses.
3. Please remember that you, the taxpayer, are solely responsible for the information provided on this worksheet and entered on your tax return. The IRS may choose to audit you. Therefore, you should have written records for everything that you claim.
4. Please ask your tax preparer if you have any questions about this form before he/she starts to prepare your tax return.

**About the Business:**

Name of business: \_\_\_\_\_

Address of business: \_\_\_\_\_

Type of service provided: \_\_\_\_\_

**Total Income from the Business:** \$\_\_\_\_\_

**Expenses for the Business:**

Advertising: \$\_\_\_\_\_

Insurance (*other than health insurance and car insurance*): \$\_\_\_\_\_

Interest on loans: \$\_\_\_\_\_

Legal and professional services: \$\_\_\_\_\_

Office supplies: \$\_\_\_\_\_

Rent or lease of machinery and equipment: \$ \_\_\_\_\_

Repairs and maintenance: \$ \_\_\_\_\_ (continued on reverse)  
Supplies: \$ \_\_\_\_\_

Taxes and licenses: \$ \_\_\_\_\_

Travel/meal expenses (not car expenses): \$ \_\_\_\_\_

Utilities: \$ \_\_\_\_\_

Other expenses: \$ \_\_\_\_\_ Please describe: \_\_\_\_\_

**Business Use of Car:** (to obtain the standard mileage deduction):

Description of vehicle: \_\_\_\_\_

Date you placed the vehicle in service for business purposes (mo/da/yr): \_\_\_\_\_

Business miles (miles related to the business that are not commuting): \_\_\_\_\_

Commuting miles (miles driven from home to the first business location, and from the last business location back home): \_\_\_\_\_

Other miles (miles driven for personal purposes): \_\_\_\_\_

Was the vehicle also available for non-business use?  yes  no

Do you have (or your spouse have) another vehicle for personal use?  yes  no

Do you have evidence to show your business miles?  yes  no

If yes, is the evidence written evidence?  yes  no

I understand that: (1) I am solely responsible for the information provided on this worksheet and on my tax return; and (2) when I sign my tax return, I am stating under penalty of perjury that the tax return is accurate to the best of my knowledge.

DATE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

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