

Income Tax prep for your Home Business

1. Take inventory of all section 1 wholesale merchandise on your shelf as of Dec. 31. Use a consultant order sheet to record totals, add up retail amount, then divide by 2. “Ending Inventory”) \$ _____
2. Starter Kit cost, if first year. (take total amount spent) \$ _____
3. All Retail sales income from appointments and reorders \$ _____
4. Other Income. (4—13% checks, other prizes, commissions) \$ _____
5. Beginning Inventory , if second year and up. (last years ending inventory) \$ _____
6. Business Expenses: \$ _____
 - Section 1 Wholesale purchases (Picking ticket) \$ _____
 - Section II Business supplies (Packing sheet) PCP premiums sent via customer delivery service/E Zship \$ _____
 - Uncollected Sales Tax (personal use, demo, lost) \$ _____
 - Freight Charges on product orders, and on customer delivery service orders \$ _____
 - Products used for demo purposes, gifts, at cost \$ _____
 - Office Expenses/Business Supplies \$ _____
 - Product Refunds at retail value \$ _____
 - Bad Debts \$ _____
 - Promotions and contest expenses \$ _____
 - Laundry for dry cleaning of official business attire \$ _____
 - Car Wash, only for company cars \$ _____
 - Bank Service Charges (checks, money orders, bank fees) \$ _____
 - Pro-Pay charges (print off monthly reports) \$ _____
 - Interest paid on business loans, Sole MC/Visa accounts \$ _____
 - Advertising (business cards, MK Connections) \$50 website \$ _____
 - Postage/express mail \$ _____
 - Wages—contract labor/payroll for children/minors \$ _____
 - Meeting expenses, workshops, conferences seminar fees \$ _____
 - Cost of Director Suit/Red Jackets \$ _____
 - Accountant (professional) fees/Legal fees \$ _____
 - Total miles driven. Odometer Beg. _____ Ending _____ \$ _____
 - Travel Expense \$ _____
 - Plane/taxis \$ _____
 - Lodging \$ _____
 - Meals \$ _____
 - Entertainment and Meals (not travel) \$ _____
 - Charity donations (product or otherwise) \$ _____
 - Office rent or depreciation \$ _____
 - Equipment (printers, computer, ipad) \$ _____
 - Utilities—Telephone, Internet line, Voice com, app’s \$ _____
 - Insurance—Product or Liability \$ _____