



NEURODIVERJENNT

THIS DOCUMENT IS NOT MEANT TO CONSTITUTE TAX ADVICE! Please use this as a guide only, but talk to a CPA professional about what are tax exempt deductions.

I've made this guide to help neurodivergent business owners, but I am *not* a tax professional!

- Jenn

<p>Advertising</p> <p>Include:</p> <ul style="list-style-type: none"> • Business cards, flyers, and newspaper ads • Internet, television, and radio advertising • Advertising at a charitable or community event • <p>Don't Include:</p> <ul style="list-style-type: none"> • Advertising intended to influence legislation or elections 	<ul style="list-style-type: none"> • Advertising
<p>Contract Labor</p> <p>Include:</p> <ul style="list-style-type: none"> • Payment for services to someone that is not on your payroll, and has to use their own expertise or tools to provide services to your business. This might include construction workers, website developers, CPAs, etc • 1099 should be issued for anyone that receives \$600+ <p>Don't Include:</p> <ul style="list-style-type: none"> • Anyone on your payroll, or that would otherwise be considered an employee because they are using your systems, operating under your name, or representing your business. 	<ul style="list-style-type: none"> • Contract Labor
<p>Business Insurance premiums</p> <p>Include:</p> <ul style="list-style-type: none"> • Casualty insurance (Ex: fire, theft, and flood) • General liability, malpractice, and credit insurance • Business interruption insurance 	<ul style="list-style-type: none"> • Insurance Premiums

<ul style="list-style-type: none"> Expenses that cover 2022 only. If you paid for insurance that covers more than the tax year, prorate the expense. <p>Don't Include:</p> <ul style="list-style-type: none"> The cost of health insurance or group term life insurance you maintain for employees (Enter this in Self-Employed Health Insurance.) Automotive insurance premiums (Enter these in Vehicles.) Homeowner's insurance premiums for your home office (Enter these in Home Office.) 	
<p>Car & Truck expenses</p> <p>Include:</p> <ul style="list-style-type: none"> Gas, oil, and lubrication Tires, batteries, and repairs Garage rent, auto club, and washing or polishing Insurance and licenses Personal property tax (registration) Business-related parking fees and tolls Mileage if not Actual Cash Reporting <p>Don't Include: Any of the above-mentioned items if you are using actual cash reporting method or full depreciation on vehicles.</p>	<ul style="list-style-type: none"> Car & Truck Exp – Ins/Licenses Car & Truck Exp – Repairs Car & Truck Exp – Gas/ Oil Car & Truck Exp – Personal Property Car & Truck Exp – Auto Club/Washing Car & Truck Exp – Parking Car & Truck Exp – Tolls <p>OR</p> <ul style="list-style-type: none"> Car & Truck Exp – Depreciation
<p>Employee Wages</p>	<ul style="list-style-type: none"> Employee Wages
<p>Depreciable Property</p> <p>Include:</p> <ul style="list-style-type: none"> Computers and computer software Copiers and other office machines Specialty equipment Office furniture Other property expected to last more than one year <p>Don't Include:</p> <ul style="list-style-type: none"> Vehicles (Enter these with your vehicle expenses.) 	
<p>Home Office</p> <p>Cannot claim if no profit Cannot claim if used for any other purpose (must be EXCLUSIVELY business)</p>	<ul style="list-style-type: none"> Home Office

<p>Principle place of business</p> <p>How do I calculate? Ask a CPA, but in general, you can calculate the percentage your office is of the total square foot of your home. IE, if you have a 1,000 sq ft home, and your office is 100sq ft, your business percentage is 10%.</p> <p>You can also use the room calculation if all the rooms in your home about the same size. If you have a four bedroom home, you would divide the number of rooms used in your business by the total number of rooms in the house.</p>	
<p>Legal/Professional Services</p> <p>Include:</p> <ul style="list-style-type: none"> • Fees paid for tax advice for your business • Fees paid for the preparation of the tax forms for your business • Legal fees paid to an attorney that were ordinary and necessary to the operation of your business <p>Don't Include:</p> <ul style="list-style-type: none"> • Any expenses you must amortize • Any personal expenses 	<ul style="list-style-type: none"> • Legal and professional services expenses
<p>Local Transportation</p> <p>Include:</p> <ul style="list-style-type: none"> • Taxis • Public transportation • Car-sharing services <p>Don't Include:</p> <ul style="list-style-type: none"> • Commuting expenses • Overnight travel expenses -- we'll ask for these separately • Expenses for a vehicle you own or lease (Enter these in Vehicles.) 	<ul style="list-style-type: none"> • Local parking fees and tolls • Other local transportation expenses
<p>Meals & Entertainment</p> <p>Include:</p> <ul style="list-style-type: none"> • Meals while traveling overnight on business • A business lunch with a customer or client • Refreshments given out at an open house <p>Don't Include:</p> <ul style="list-style-type: none"> • Lavish or extravagant expenses • Expenses for a facility, like a yacht or hunting lodge, that's mainly recreational 	<ul style="list-style-type: none"> • Meal expenses • Entertainment expenses

<ul style="list-style-type: none"> • Club memberships, like golf clubs, country clubs, or athletic clubs • Daycare meal expenses 	
<p>Mortgage Interest (for rental properties only – main home goes under 1098 section)</p> <p>Don't Include:</p> <ul style="list-style-type: none"> • Mortgage interest for your main home, even if you have a home office (Enter this in Home Office) • Capitalized interest, like interest on a loan to finance the production of goods • Interest prepaid in 2022 for 2023 	<ul style="list-style-type: none"> • Mortgage interest expenses for rental properties
<p>Office Expenses</p> <p>Include:</p> <ul style="list-style-type: none"> • A separate phone line or Internet service • Office supplies and postage (Ex: pens, printer cartridges, and so on) • Maintenance and cleaning expenses <p>Don't Include:</p> <ul style="list-style-type: none"> • Rent or utilities -- we'll ask about these later. • Any office expenses you reported earlier • Internet equipment, like a router • Anything with a useful life of more than one year, like office furniture (Enter these in Depreciation.) • General household expenses or mortgage interest for your home office (Enter these in Home Office.) 	<ul style="list-style-type: none"> • Office Expenses
<p>Other Business Expenses</p> <p>Include:</p> <ul style="list-style-type: none"> • Internet fees and cell phone expenses • Dues, subscriptions and training • Shipping • Bank fees <p>Don't Include:</p> <ul style="list-style-type: none"> • Personal portion of internet and cell phone fees • Business clothing • Hair styling and manicures • Gifts over \$25 per recipient • Bad debts, if a cash business 	<ul style="list-style-type: none"> • Misc otherwise not defined (you get to type in) • Internet fees and cell phone expenses • Dues, subscriptions and training • Shipping • Bank fees

<ul style="list-style-type: none"> • Charitable donations (Enter these in Charitable Contributions.) • Vehicle expenses (Enter these in Car or truck I use for this business.) • Home office expenses (Enter these in Home office.) • Depreciation (Enter these in Depreciable property.) • Health insurance (Enter these in Self-employed health insurance premiums.) • Retirement plan contributions (Enter these in SEP, SIMPLE, or qualified retirement account contributions.) 	
<p>Other Interest</p> <p>Include:</p> <ul style="list-style-type: none"> • Interest on a revolving credit line, equipment financing or trade accounts • Interest incurred to buy the business if you have a loan that isn't secured by a mortgage on real estate <p>Don't Include:</p> <ul style="list-style-type: none"> • Mortgage interest for your main home, even if you have a home office (Enter this in Home Office.) • Interest you're required to capitalize, like interest on a loan to finance the production of goods • Interest on auto loans (Enter this in Vehicles.) 	<p>Other interest expenses</p>
<p>Repairs/Maintenance</p> <p>Include:</p> <ul style="list-style-type: none"> • Patching and repairing floors • Repainting the inside or outside of a building • Repairing roofs and gutters • Fixing leaks • Any expense the IRS considers it to be routine maintenance. • Expenses that are small relative to your property cost and you choose to write them off. <p>Don't include (Enter these in Depreciation):</p> <ul style="list-style-type: none"> • Installing a new roof • Building an addition 	<ul style="list-style-type: none"> • Repair and maintenance expenses

<ul style="list-style-type: none"> • Installing new carpet • Installing a new electrical system • Any repair the IRS considers an improvement - unless an exception applies. 	
<p>Retirement Account Contributions</p>	<ul style="list-style-type: none"> • Qualified plan contributions
<p>Supplies Supplies are:</p> <ul style="list-style-type: none"> • Items that cost \$200 or less • Items with a useful life of 12 months or less • Items you expect to use within 12 months <p>Include:</p> <ul style="list-style-type: none"> • Merchandise bought for sale to customers • Materials used to produce goods or assemble goods for sale • Print cartridges and printer paper • Cleaning materials and supplies • Professional books, instruments, and equipment if normally used up within one year <p>Don't Include:</p> <ul style="list-style-type: none"> • Expenses you entered as business inventory costs 	<ul style="list-style-type: none"> • Supply expenses
<p>Taxes/Licenses</p> <p>Include:</p> <ul style="list-style-type: none"> • Federal highway use tax • Property tax on business property <p>Don't Include:</p> <ul style="list-style-type: none"> • Federal, state, and local income taxes • Estate and gift taxes • Taxes assessed for improvements • Sales tax on business assets 	<ul style="list-style-type: none"> • Taxes and licenses
<p>Utilities</p> <p>Include:</p> <ul style="list-style-type: none"> • Electricity and heating • Water and sewer <p>Don't Include:</p> <ul style="list-style-type: none"> • Utilities for your home office (Enter these in Home Office.) 	<ul style="list-style-type: none"> • Utility expenses

