

2011 BUSINESS INCOME & EXPENSE SUMMARY

Name: _____

INCOME

Gross receipts from 1099-K or equivalent... _____
 Gross receipts or sales not included above.. _____
 Total gross receipts..... **_____**
 Returns & allowances..... (_____)
 Other income..... _____
 _____
 _____
 Total income..... **_____**

Inventory, beginning of year..... _____
 Merchandise purchased..... _____
 Cost of items withdrawn for personal use.... (_____)
 Subcontractors..... _____
 Inventory, end of year..... (_____)
 Cost of Sales..... _____
 Gross Profit..... **_____**

EXPENSES

Advertising..... _____
 Auto expenses..... _____
 Mileage: _____ @ 51¢ (Jan-June) _____
 Mileage: _____ @ 55.5¢ (July-Dec) _____
 Truck expenses..... _____
 Commissions..... _____
 Contract labor..... _____
 Depreciation..... _____
 Employee health insurance..... _____
 Insurance..... _____
 Mortgage Interest (Form 1098 required) _____
 Other interest..... _____
 Legal & Professional fees..... _____
 Office expense..... _____
 Pension and Profit-sharing..... _____
 Rent: Machinery and equipment.... _____
 Rent: Other business property..... _____
 Repairs, maintenance..... _____
 Supplies..... _____
 Taxes & licenses..... _____
 Travel expenses..... _____
 Meals & entertainment..... _____
 Telephone & Utilities..... _____
 Wages..... _____
 Continuing education..... _____
 Dues & publications..... _____
 Freight & postage..... _____
 Bank service charge..... _____
 Other expenses..... _____
 _____
 _____
TOTAL EXPENSES..... **_____**

NET INCOME..... **_____**

BUSINESS INFORMATION

NEW FOR 2011 AND FUTURE REPORTING

Additional lines have been added to the tax forms to report gross receipts received via merchant card (credit or debit cards) and third party network payments. Although merchant reporting requirements have been deferred for 2011, you may still receive some 1099-K forms reporting income you received from credit card or online sales. Please provide us with all 1099-K forms you receive.

LISTED PROPERTY INFORMATION

Business income and expense can be obtained from your books of account or your summarization of those activities. In addition, your substantiation of business use of listed property (i.e. automobiles, pickups, airplanes, motorcycles, ATV's, motor homes, computers, cameras, video equipment) will be required, or can be summarized below:

Do you have evidence to support the business use? Yes ___ No ___ Is the evidence written? Yes ___ No ___

<u>Vehicle Description</u>	<u>Business miles</u>	<u>Personal Miles</u>	<u>Total Miles</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
<u>Other Listed Property Description</u>	<u>Business Use %</u>	<u>Personal Use %</u>	
_____	_____	_____	
_____	_____	_____	

OTHER BUSINESS INFORMATION

Taxpayers engaged in business activities must answer the following questions regarding such activity:

1. Did you materially participate in the operation of this business during 2011? Yes ___ No ___
Material participation occurs if you: (a) Participate for more than 500 hours during the year, or (b) Your participation represents substantially all the participation in the activity by individuals, including non-owners, or (c) Your participation exceeds 100 hours and no other individual's participation exceeds yours during the year.
 2. Are you deducting expenses for business use of your home? Yes ___ No ___
Deductions attributable to the use of your home for business purposes are allowable only on the portion of your home that is used exclusively and on a regular basis as your principal place of business or in connection with your business. Childcare providers will be required to substantiate hours of use.
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OTHER INFORMATION

Inventory of merchandise held for resale at year end..... \$ _____

PLANNING OPPORTUNITIES

- If family members provide services to the business, consider paying for such services. Such payments could have positive effects on social security, travel expense deductions, IRA contributions and health insurance deductions.
 - The domestic production activities deduction continues to be available for 2011. Accounting systems must reflect production activity income and related expenses separate from non-qualifying income. This deduction is 9% of the lower of qualifying business income or adjusted gross income and cannot exceed 50% of cash wages paid in the business.
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BUSINESS EXPENSE NON-DEDUCTIBLES

Social club dues.
Travel expenses of non-employees
Dues to business organizations not deductible to the extent of expenses related to lobbying activities.

OTHER BUSINESS RETURN DUE DATES

W-2 & annual payroll tax reporting Jan 31, 2012
1099 & information return reporting Feb 29, 2012
Personal Property Return May 1, 2012
