

# South Beach Tax & Financial Services

(For use in conjunction with W/S C-1 and SCH. C)

## Day Care Providers' Business Deductions Work Sheet

Name \_\_\_\_\_ Tax Year \_\_\_\_\_

OPERATING EXPENSES	AMOUNT																															
Admission Fees for Outings (Zoo, Plays, ETC.)		<p>◀ The expense captions on this page are an expansion of, a supplement to, SCH. C and W/S C-1. Use SCH. C and W/S C-1 FIRST and then supplement with this worksheet. Enlarge the scope of the interview here. DO NOT repeat any of the expenses captioned on SCH. C or on W/S C-1. Carry to SCH. C as shown.</p> <p style="text-align: center;">-The Business/Activity Code is <b>624410 (SCH. C, item B)</b></p> <h3 style="text-align: center;">BUSINESS USE OF HOME</h3> <p>1. In lieu of completing "Qualification Requirements" section of W/S M-3c, read and answer the following:</p> <p>Exception to the exclusive Use Requirement for day care services:</p> <p>The restrictions as to Degree and Character of Use do not apply to any item to the extent that such item is allocable to the use of any portion of the dwelling unit on a regular basis in the taxpayer's trade or business of providing DAY CARE for children, for individuals who are physically or mentally incapable of caring for themselves.</p> <p>An allocation of expenses must first be made on the basis of the space used for day compared to the area of the entire residence. The amount of expenses allocable on the basis of space is available for all uses. A deduction for expenses incurred is not allowed, unless you have applied for, been granted, or are exempt from state licensing, certification, registration or approval.</p> <p>Is the taxpayer's business "day care" as above described and does the taxpayer meet the qualification?</p> <p>If "YES" go to number 2 below. <input type="radio"/> YES <input type="radio"/> NO If "NO", deduction for business use of home is denied.</p> <p>2.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">SUBSTITUTE TABLE 1-PERCENTAGE DETERMINATION</th> <th style="text-align: center;">Form 8829 Line: ▼</th> </tr> </thead> <tbody> <tr> <td>a. Business Use Portion of Home*</td> <td>a.</td> <td style="text-align: center;">1</td> </tr> <tr> <td>b. Total Business and Personal Use</td> <td>b.</td> <td style="text-align: center;">2</td> </tr> <tr> <td>c. Line (a) divided by Line (b)</td> <td>c.</td> <td style="text-align: center;">% 3</td> </tr> <tr> <td>d. Number of hours per day line (a) area used for business</td> <td>d.</td> <td></td> </tr> <tr> <td>e. Days per year used for business</td> <td>e.</td> <td></td> </tr> <tr> <td>f. Hours per year (Line (d) X Line (e))</td> <td>f.</td> <td style="text-align: center;">4</td> </tr> <tr> <td>g. Total hours per year</td> <td>g.</td> <td style="text-align: center;">8784 5</td> </tr> <tr> <td>h. Percent of time used for business - Line (f) divided by Line (g)</td> <td>h.</td> <td style="text-align: center;">% 6</td> </tr> <tr> <td>i. Business Percentage - Line (c) times Line (h)</td> <td>i.</td> <td style="text-align: center;">% 7</td> </tr> </tbody> </table> <p>*Any method of allocation which is reasonable under the circumstances will be acceptable. Ratios of square footage, cubic area, number of rooms, etc., are among those which may be appropriate in particular cases.</p> <p>3. Complete remainder of W/S M-3c, using the percentage from line i above whenever "business percentage" is required on W/S M-3c.</p>	SUBSTITUTE TABLE 1-PERCENTAGE DETERMINATION		Form 8829 Line: ▼	a. Business Use Portion of Home*	a.	1	b. Total Business and Personal Use	b.	2	c. Line (a) divided by Line (b)	c.	% 3	d. Number of hours per day line (a) area used for business	d.		e. Days per year used for business	e.		f. Hours per year (Line (d) X Line (e))	f.	4	g. Total hours per year	g.	8784 5	h. Percent of time used for business - Line (f) divided by Line (g)	h.	% 6	i. Business Percentage - Line (c) times Line (h)	i.	% 7
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Batteries, chargers																																
Bedding, linens, pillows																																
Books, Records, Audio/Video Media																																
Bottled Water																																
Cable TV: Base Rate (per month) (a)																																
Premium stations (Disney, HBO etc) (b)																																
Total per month (a+b) (c)																																
No. months business use (d)																																
Line (c) x Line (d) (e)																																
Percent of business use (f)																																
Annual cost - Line (f) x Line (e) ▶																																
"Childproofing" locks, Cabinets, Stairs																																
Craft supplies, Clay, Glue, Tape																																
Diapers: Cloth, Disposable, Service																																
First Aid Kit and Supplies																																
First Aid/CPR Classes																																
FOOD/BEVERAGE (note: not subject to 50% rule, except for food employees which should be on W/S C-1)																																
- Include State/Federal nutrition program payments as "other income" on SCH. C. Do not use here to offset expenses.																																
<input type="radio"/> Per client records																																
<input type="radio"/> Per Total of grocery receipts																																
<input type="radio"/> OR "Standard meal & snack rates" for eligible children as computed below:																																
#/year X Rate = Yearly																																
Breakfast <input type="text"/> X <input type="text"/> = <input type="text"/>																																
Lunch <input type="text"/> X <input type="text"/> = <input type="text"/>																																
Dinner <input type="text"/> X <input type="text"/> = <input type="text"/>																																
Snacks <input type="text"/> X <input type="text"/> = <input type="text"/>																																
<b>TOTAL ▶</b>																																
FURNITURE/EQUIPMENT ( if required to be depreciated, enter on Form 4562, not here)																																
Cot, Highchair, Hobby Horse																																
Playpen and Pads, Sandbox and Sand																																
Seesaw, Swing, Walker, Wading Pool																																
Inspection fee for relicensing																																
Laundry: Actual, per records																																
<input type="radio"/> OR Annual cost computed; #loads/week <input type="text"/> X Cost per load <input type="text"/> X business use % <input type="text"/> X business weeks <input type="text"/> = ▶																																
Paper goods: Cups, Napkins, Plates, Tissues, Toilet																																
Party goods: Balloons, Decorations, Favors, Treats																																
Pest Control																																
Photo developing																																
Salves, Lotions, Powders, Wipes																																
Soap, Cleaning Supplies																																
Toys, Games, Coloring Books, Crayons, Paints																																
Other (itemize):																																
<b>TOTAL ▶</b> Carry to SCH. C, line 48 Describe as "From W/S C-8"																																