

## Hiring Your Children to Work on Your Rental Properties

Have you considered hiring your children to work on your rental properties? If so, were you concerned when you did not see a line item for wages on Schedule E of your Form 1040?

Don't let that bother you. The IRS in its instructions explains that wages and other ordinary and necessary business expenses of the rental that are not named on Schedule E go on line 19.

Because you own more than one rental property, your children may work on more than one. No problem. You need to allocate the wages and associated expenses to the properties on a reasonable basis.

The most apparent allocation basis for the money you are paying the children being time spent by the children at each property.