

**BUSINESS EXPENSE CATEGORIES**

*If you have bookkeeping please provide that rather than using this guide*

**INCOME**

<b>Total Gross Income</b>	\$
<b>Multnomah County Gross Income</b>	\$
<b>City of Portland Gross Income</b>	\$

**EXPENSES:**

<b>Advertising, Marketing and Promotions</b>	\$
<b>Accounting</b> includes accounting and bookkeeping services.	\$
<b>Commissions &amp; Fees</b>	\$
<b>Education &amp; Professional Development</b> includes courses, CPE, seminars, books, almost anything that helps you improve yourself in your current profession.	\$
<b>Equipment Rentals</b>	\$
<b>Health Insurance Premiums</b>	\$
<b>Insurance</b> (other than health) includes E&O, Liability, Bonds, Insurance on Business Property (home owners or home fire insurance is included on the individual checklist rather than here)	\$
<b>Interest</b> includes interest paid on business loans, business credit cards, business lines of credit and mortgages on business property (home office mortgage interest is included under "Home Office").	\$
<b>Legal and Professional Fees</b> includes fees paid to attorneys, accountants, bookkeepers, payroll service, tax preparers, consultants, advisors and counselors.	\$
<b>Materials and Supplies</b> include building materials or the materials that make up your product (if you track inventory include inventory information separately).	\$
<b>Meals &amp; Entertainment</b> While on business trips deduct all meals. Locally, you may only deduct meals that meet the following criteria for entertainment: The law allows you to deduct expenses to entertain clients, customers, or employees if the expense is incurred while courting new business or discussing business. The business activity should be helpful and appropriate for your business, but it <i>does not have to be indispensable</i> . There should be some expectation of producing income or some other business benefit from the entertainment activity.	\$
<b>Office Expense</b> (Include here only items used for the office. For items that make up your product see "Materials" above. For work space rent see "Rent" below. For work space utilities see "Utilities" below)	
• Postage & shipping	\$
• Copies, printing, photo developing	\$
• Office supplies (e.g. office use film, paper supplies, writing implements, clips, folders, files, etc.)	\$
• Reference books	\$
• Office tools that have a life of less than one year and are not included in "Equipment" below.	\$
<b>Outside Services</b> This includes laborers, subcontractors, consultants and other services hired outside of your business.	\$
<b>Rent/Lease</b> includes rent paid for work space, office space, storage space and retail space (If you rent an apartment or home with an office space see "Home Office" above). List	

each rental space separately.	\$
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**Repairs and Maintenance** of business property (however, repairs and maintenance on your Home Office and Car or Truck should be listed in the respective categories above)

• Tools & equipment	\$
• Business real estate	\$
• Rental space	\$

**Subscriptions & Dues**

• Subscriptions to journals, trade publications, periodicals and information services	\$
• Dues to professional organizations	\$
• Union dues	\$

**Taxes and Licenses**

• Local taxes on your business	\$
• FICA (Social Security & Medicare paid for employees)	\$
• FUTA (federal unemployment for employees)	\$
• SUTA (state unemployment for employees)	\$
• Property tax on business property (include property tax on the home office under "Home Office")	\$
• Business registration fees	\$
• Business license and renewal fees	\$

**Travel** (expenses incurred while traveling away from home for business) includes airline tickets, train tickets, car rentals, bus tickets, parking fees, conferences and seminar expenses. Note: travel meals and entertainment must be included with "Meals and Entertainment" rather than here.

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**Utilities** - not related to Home Office deduction

• Telephone/Fax services	\$
• Internet access/DSL	\$
• Electric/Gas	\$
• Garbage and recycling	\$

**Wages** includes wages paid to employees. Be sure to include employment taxes (FICA, FUTA & SUTA) under "Taxes & Licenses" above. Include nonemployee labor and subcontracted work under "Commissions & Fees" above.

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**Other Miscellaneous Expenses** (list any of the following or any expenses not included in the categories above, provide any necessary explanation and documentation)

• Bad debts from sales or services (only for businesses using the accrual method of accounting)	\$
• Employee Benefit Programs	\$
• Pensions and Profit Sharing Plans offered to employees	\$
• Research Expenses	\$
• Casualty losses or damage not reimbursed by insurance	\$

**Additional items for Farms**

List all livestock sold. Include a brief description, whether it was bought for resale and raised by you or held for draft, breeding, dairy or sport and any expenses involved in raising the livestock sold which were not deducted during the raising years (your basis in the livestock).	
List any payments received from crop insurance or disaster relief, the date the payments were received and a brief explanation of the circumstances.	\$

