

**Mary Q. Translator**  
**Sample Income & Expenses 2009**

ATA Webinar 2010  
Tax Tips for Translators  
John Matthews

<b>Income</b> Cash Accounting Method; Material Participation in the Business			
	1099-MISC	\$85,000	Kansas City Translation Agency (checks in the mail throughout the year)
	Receipts	\$500	Translation Agency A (check in the mail)
		\$500	Translation Agency B (direct deposit)
		\$6,320	Madrid Translation Agency (€5,000) (Spanish bank account deposit)
		\$680	Mexican Translation Agency (P8,800) (Mexican bank account deposit)
		\$1,000	Argentinean Translation Agency (PayPal payment)
		\$1,000	Colombian Translation Agency (PayPal Payment)
		\$125	Tips (€100 cash)
	Total	\$95,125	
<b>Expenses</b>			
<b>Home Office Deduction</b> (115 sq.ft / 1,300 sq.ft.; 100% business use = 8.85%)			
	Rent	\$10,200	(\$850 / month)
	Renter's Insurance	\$360	
	Utilities	\$2,460	Electricity \$100/month; Gas \$70/month; Water: \$35/month x 12 months)
	Repairs & Maintenance	\$300	Painting the room
	Cleaning Costs	\$1,250	\$50 biweekly x 25 weeks
<b>Car</b> (2008 Toyota Corolla)			
			Bought the car on 01/05/2008
			Uses it all year for business (12 months)
		10,000	Total miles driven annually: 10,000
		675	Business miles (15 miles round-trip x 45 weeks)
		\$150	Car-loan annual interest (\$250 monthly payment)
		\$400	Annual personal property taxes
			She owns it; claims standard mileage in the first year & thereafter; claims the Personal Property Tax as a deduction; the car was available for personal use during off-duty hours, used primarily by a person who's a more-than-5% owner; has evidence that is written to support the deduction.
<b>Business Property</b>			
	Computer	\$1,500	Each of these business assets is new. She uses this property exclusively at her regular place of business; it qualifies for a Section 179 deduction (this means she can deduct the entire amount this year); she takes the full amount for the Section 179 deduction. The "basis" of the property is the full amount she paid for the property including the purchase price, taxes, shipping & handling, etc.
	Printer/Copier/Fax	\$150	
	Trados	\$1,200	
	MS Office	\$450	
	Business Cell Phone	\$150	
	Ergonomic Chair	\$475	
	2nd Desk	\$300	This is a used piece of furniture. She converted it from personal use to business use in the current year. It is not listed property; it was new when she acquired it; she does not want to elect out of bonus depreciation. Part of it will be deductible this year & the rest will be deductible in the coming years.

<b>Business Expenses</b>			
	Advertising	\$584	(Website Hosting: \$12/month; Website Development: \$400; Business Cards: \$40)
	Contract Labor	\$0	
	Insurance	\$350	(Errors & Omissions Professional Insurance)
	Mortgage Interest	\$0	(This is only for a building she has bought for business use. If she owns her home, she deducts mortgage interest as usual on Schedule A, not here)
	Other Interest	\$85	(Business MasterCard credit card interest charged)
	Legal & Professional Services	\$0	
	Office Expenses	\$0	
	Equipment Rental	\$0	
	Repairs & Maintenance	\$100	(Computer Repair)
	Supplies	\$450	Printer Ink: \$100; Paper: \$50; Writing Instruments: \$50; Light Bulbs: \$20; Storage: \$100; Storage: \$100; Mouse: \$30)
	Taxes & Licenses	\$100	(KCMO Business License)
	Travel	\$5,650	(Prof.Dev. Instituto Allende \$3500; ATA Annual Conference: \$1,250; MITA Workshop: \$400, AAIT Workshop: \$500)
	Utilities	\$0	These were deducted in the Home Office.
	Meals	\$100	(50% is deductible but she enters the \$100) Subject to regular limits.
<b>Other Business Expenses</b>			
	Internet Service	\$408	(\$40/month @ 85%)
	Dictionaries & Books	\$500	
	Business Cell Phone Minutes	\$600	(\$50/month)
	ATA Membership Dues	\$145	
	MICATA Membership Dues	\$15	
	CoC Membership Dues	\$100	Chamber of Commerce
	Professional Education	\$375	(MICATA Symposium: \$75; Webinars: \$100; Community College Writing Course: \$200)
	Bank Charges	\$55	(\$50/year for card; \$5 Euro conversion fee)
	Gifts	\$100	Gift of \$25 x 4 persons at KC Translation Agency
	Subscriptions	\$100	
<b>Self-Employed Health Insurance Premiums</b>			
	Blue Cross	\$3,600	(\$300/month)
	<b>SEP Retirement Contribution</b>	\$3,000	(She has one plan; it is not a SARSEP; her contribution rate is 25%)
	<b>Roth IRA Contribution</b>	\$5,000	
<b>Estimated Tax Payments</b>			
	2008 Final Payment to State	\$250	January 2009 (if it might be deductible in 2009 on Schedule A)
	2009 Estimated Payments to State(s)	\$1,000	April, June, September (2008) & January (2009), 15 <sup>th</sup> of the month
	KCMO Profits Tax	\$700	(if it might be deductible in 2009 on Schedule A)
	2008 Refund Applied	\$100	IRS refund from 2008 she applied to 2009 taxes
	2009 Estimated Payments to IRS	\$21,500	April, June, September (2008) & January (2009), 15 <sup>th</sup> of the month

Label

(See instructions.)

Use the IRS label.

Otherwise, please print or type.

Presidential Election Campaign

For the year Jan. 1—Dec. 31, 2009, or other tax year beginning , 2009, ending , 20
Your first name and initial: Mary Q
Last name: Translator
If a joint return, spouse's first name and initial:
Last name:
Home address (number and street). If you have a P.O. box, see instructions.
1234 Main Street
Apt. no. 1A
City, town or post office, state, and ZIP code. If you have a foreign address, see instructions.
Kansas City MO 64114

Your social security number: 555-55-5555
Spouse's social security number:

You must enter your SSN(s) above.

Checking a box below will not change your tax or refund

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see instructions) You Spouse

Filing Status

- 1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above and full name here.
4 [ ] Head of household (with qualifying person). (See instr.) If the qualifying person is a child but not your dependent, enter this child's name here.
5 [ ] Qualifying widow(er) with dependent child (see instructions)

Exemptions

6a [X] Yourself. If someone can claim you as a dependent, do not check box 6a
b [ ] Spouse
c Dependents: (1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) X if qualifying child for child tax credit (see instr.)
d Total number of exemptions claimed 1

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

Table with 2 columns: Description and Amount. Rows include Wages, salaries, tips, etc. (7); Taxable interest (8a); Tax-exempt interest (8b); Ordinary dividends (9a); Qualified dividends (9b); Taxable refunds, credits, or offsets of state and local income taxes (10); Alimony received (11); Business income or (loss) (12); Capital gain or (loss) (13); Other gains or (losses) (14); IRA distributions (15a); Pensions and annuities (16a); Rental real estate, royalties, partnerships, S corporations, trusts, etc. (17); Farm income or (loss) (18); Unemployment compensation (19); Social security benefits (20a); Other income (21); Total income (22).

Adjusted Gross Income

Table with 2 columns: Description and Amount. Rows include Educator expenses (23); Certain business expenses of reservists, performing artists, and fee-basis government officials (24); Health savings account deduction (25); Moving expenses (26); One-half of self-employment tax (27); Self-employed SEP, SIMPLE, and qualified plans (28); Self-employed health insurance deduction (29); Penalty on early withdrawal of savings (30); Alimony paid (31a); IRA deduction (32); Student loan interest deduction (33); Tuition and fees deduction (34); Domestic production activities deduction (35); Total (36); Adjusted gross income (37).

Tax and Credits

Standard Deduction for—
• People who check any box on line 39a, 39b, or 40b or who can be claimed as a dependent, see instructions
• All others: Single or Married filing separately, \$5,700 Married filing jointly or Qualifying widow(er), \$11,400 Head of household, \$8,350

38 Amount from line 37 (adjusted gross income) 38 67,089
39a Check [ ] You were born before January 2, 1945, [ ] Blind. Total boxes checked 39a 0
if: [ ] Spouse was born before January 2, 1945, [ ] Blind.
b If your spouse itemizes on a separate return, or you were a dual-status alien, see instructions and check here 39b [ ]
40a Itemized deductions (from Schedule A) or your standard deduction (see left margin) 40a 5,700
b If you are increasing your standard deduction by certain real estate taxes, new motor vehicle taxes, or a net disaster loss, attach Schedule L and check here (see instructions) 40b [ ]
41 Subtract line 40a from line 38 41 61,389
42 Exemptions. If line 38 is \$125,100 or less and you did not provide housing to a Midwestern displaced individual, multiply \$3,650 by the number on line 6d. Otherwise, see instructions 42 3,650
43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- 43 57,739
44 Tax (see instructions). Check if any tax is from: a [ ] Form(s) 8814 b [ ] Form 4972 44 10,619
45 Alternative minimum tax (see instructions). Attach Form 6251 45 0
46 Add lines 44 and 45 46 10,619
47 Foreign tax credit. Attach Form 1116 if required 47 0
48 Credit for child and dependent care expenses. Attach Form 2441 48
49 Education credits from Form 8863, line 29 49 0
50 Retirement savings contributions credit. Attach Form 8880 50 0
51 Child tax credit (see instructions) 51 0
52 Credits from Form: a [ ] 8396 b [ ] 8839 c [ ] 5695 52 0
53 Other credits from Form: a [ ] Form 3800 b [ ] Form 8801 c [ ] 53 0
54 Add lines 47 through 53. These are your total credits 54 0
55 Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- 55 10,619

Other Taxes

56 Self-employment tax. Attach Schedule SE 56 11,203
57 Unreported social security and Medicare tax from Form: a [ ] 4137 b [ ] 8919 57 0
58 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required 58 0
59 Additional taxes: a [ ] AEIC payments b [ ] Household employment taxes. Attach Schedule H 59 0
60 Add lines 55 through 59. This is your total tax 60 21,822

Payments

If you have a qualifying child, attach Schedule EIC.

61 Federal income tax withheld from Forms W-2 and 1099 61 0
62 2009 estimated tax payments and amount applied from 2008 return 62 21,600
63 Making work pay and government retiree credits. Attach Schedule M 63 400
64a Earned income credit (EIC) 64a NO
b Nontaxable combat pay election 64b
65 Additional child tax credit. Attach Form 8812 65
66 Refundable education credit from Form 8863, line 16 66
67 First-time homebuyer credit. Attach Form 5405 67
68 Amount paid with request for extension to file (see instructions) 68
69 Excess social security and tier 1 RRTA tax withheld (see instructions) 69 0
70 Credits from Form: a [ ] 2439 b [ ] 4136 c [ ] 8801 d [ ] 8885 70 0
71 Add lines 61, 62, 63, 64a, and 65 through 70. These are your total payments 71 22,000

Refund

Direct deposit? See instructions and fill in 73b, 73c, and 73d, or Form 8888.

72 If line 71 is more than line 60, subtract line 60 from line 71. This is the amount you overpaid 72 178
73a Amount of line 72 you want refunded to you. If Form 8888 is attached, check here 73a 178
b Routing number XXXXXXXXXXXX c Type: [ ] Checking [ ] Savings
d Account number XXXXXXXXXXXXXXXXXXXX
74 Amount of line 72 you want applied to your 2010 estimated tax 74 0

Amount You Owe

75 Amount you owe. Subtract line 71 from line 60. For details on how to pay, see the instructions 75
76 Estimated tax penalty (see instructions) 76 0

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [ ] Yes. Complete the following [X] No
Designee's name Phone no. Personal identification number (PIN)

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.
Your signature Date Your occupation Translator Daytime phone number 816-555-5555
Spouse's signature. If a joint return, both must sign. Date Spouse's occupation

Paid Preparer's Use Only

Preparer's signature Date Check if self-employed [ ] Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code EIN
Phone no.

**SCHEDULE C  
(Form 1040)**

**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

**2009**

Attachment Sequence No. **09**

Department of the Treasury  
Internal Revenue Service (99)

▶ **Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.**  
▶ **Attach to Form 1040, 1040NR, or 1041.** ▶ **See Instructions for Schedule C (Form 1040).**

Name of proprietor Mary Q Translator		Social security number (SSN) 555-55-5555
A Principal business or profession, including product or service (see the instructions) Translation Business		B Enter code from instructions ▶ 541930
C Business name. If no separate business name, leave blank.		D Employer ID number (EIN), if any
E Business address (including suite or room no.) ▶ 1234 Main Street City, town or post office, state, and ZIP code Kansas City MO 64114		
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶		
G Did you "materially participate" in the operation of this business during 2009? If "No," see instructions for limit on losses . . . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
H If you started or acquired this business during 2009, check here . . . ▶ <input type="checkbox"/>		

**Part I Income**

1 Gross receipts or sales. <b>Caution.</b> See instructions and check the box if: • This income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, or • You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also, see instructions for limit on losses. } . . . ▶ <input type="checkbox"/>	1	95,125
2 Returns and allowances . . . . .	2	
3 Subtract line 2 from line 1 . . . . .	3	95,125
4 Cost of goods sold (from line 42 on page 2) . . . . .	4	0
5 <b>Gross profit.</b> Subtract line 4 from line 3 . . . . .	5	95,125
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) . . . . .	6	
7 <b>Gross income.</b> Add lines 5 and 6 . . . . . ▶	7	95,125

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

8 Advertising . . . . .	8	584	18 Office expense . . . . .	18	
9 Car and truck expenses (see instructions) . . . . .	9	408	19 Pension and profit-sharing plans . . . . .	19	
10 Commissions and fees . . . . .	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions) . . . . .	11		a Vehicles, machinery, & equipment . . . . .	20a	0
12 Depletion . . . . .	12		b Other business property . . . . .	20b	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions) . . . . .	13	4,096	21 Repairs and maintenance . . . . .	21	100
14 Employee benefit programs (other than on line 19) . . . . .	14		22 Supplies (not included in Part III) . . . . .	22	450
15 Insurance (other than health) . . . . .	15	350	23 Taxes and licenses . . . . .	23	100
16 Interest:			24 Travel, meals, and entertainment:		
a Mortgage (paid to banks, etc.) . . . . .	16a		a Travel . . . . .	24a	5,650
b Other . . . . .	16b	85	b Deductible meals and entertainment (see instructions) . . . . .	24b	50
17 Legal and professional services . . . . .	17		25 Utilities . . . . .	25	
28 <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27 . . . . . ▶	28	14,271	26 Wages (less employment credits) . . . . .	26	
29 Tentative profit or (loss). Subtract line 28 from line 7 . . . . .	29	80,854	27 Other expenses (from line 48 on page 2) . . . . .	27	2,398
30 Expenses for business use of your home. Attach <b>Form 8829</b> . . . . .	30	1,563			
31 <b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Form 1040, line 12</b> , and <b>Schedule SE, line 2</b> , or on <b>Form 1040NR, line 13</b> (if you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you must go to line 32.	31	79,291			
32 If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both <b>Form 1040, line 12</b> , and <b>Schedule SE, line 2</b> , or on <b>Form 1040NR, line 13</b> (if you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If you checked 32b, you must attach <b>Form 6198</b> . Your loss may be limited.			32a <input checked="" type="checkbox"/> All investment is at risk.		
			32b <input type="checkbox"/> Some investment is not at risk.		

**Part III Cost of Goods Sold** (see instructions)

33 Method(s) used to value closing inventory: a  Cost b  Lower of cost or market c  Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation . . . . .

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation . . . . .	35	
36 Purchases less cost of items withdrawn for personal use . . . . .	36	
37 Cost of labor. Do not include any amounts paid to yourself . . . . .	37	
38 Materials and supplies . . . . .	38	
39 Other costs . . . . .	39	
40 Add lines 35 through 39 . . . . .	40	0
41 Inventory at end of year . . . . .	41	
42 <b>Cost of goods sold.</b> Subtract line 41 from line 40. Enter the result here and on page 1, line 4 . . . . .	42	0

**Part IV Information on Your Vehicle.** Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ▶ \_\_\_\_\_

44 Of the total number of miles you drove your vehicle during 2009, enter the number of miles you used your vehicle for:  
a Business \_\_\_\_\_ b Commuting (see instructions) \_\_\_\_\_ c Other \_\_\_\_\_

45 Was your vehicle available for personal use during off-duty hours? . . . . .  Yes  No

46 Do you (or your spouse) have another vehicle available for personal use? . . . . .  Yes  No

47a Do you have evidence to support your deduction? . . . . .  Yes  No  
b If "Yes," is the evidence written? . . . . .  Yes  No

**Part V Other Expenses.** List below business expenses not included on lines 8–26 or line 30.

Internet Service 40/m 85%	408
Dictionaries & Books	500
Bsns Cell Phone Charges	600
ATA Membership	145
MICATA Membership	15
ChOCom Membership	100
Professional Education	375
Various	155
Subscriptions	100
<b>48 Total other expenses.</b> Enter here and on page 1, line 27 . . . . .	<b>48</b> 2,398

**SCHEDULE SE  
(Form 1040)**

**Self-Employment Tax**

OMB No. 1545-0074

**2009**  
Attachment  
Sequence No. 17

Department of the Treasury  
Internal Revenue Service (99)

▶ **Attach to Form 1040.**

▶ **See Instructions for Schedule SE (Form 1040).**

Name of person with self-employment income (as shown on Form 1040)

Mary Q Translator

Social security number of person  
with self-employment income ▶

555-55-5555

**Who Must File Schedule SE**

You must file Schedule SE if:

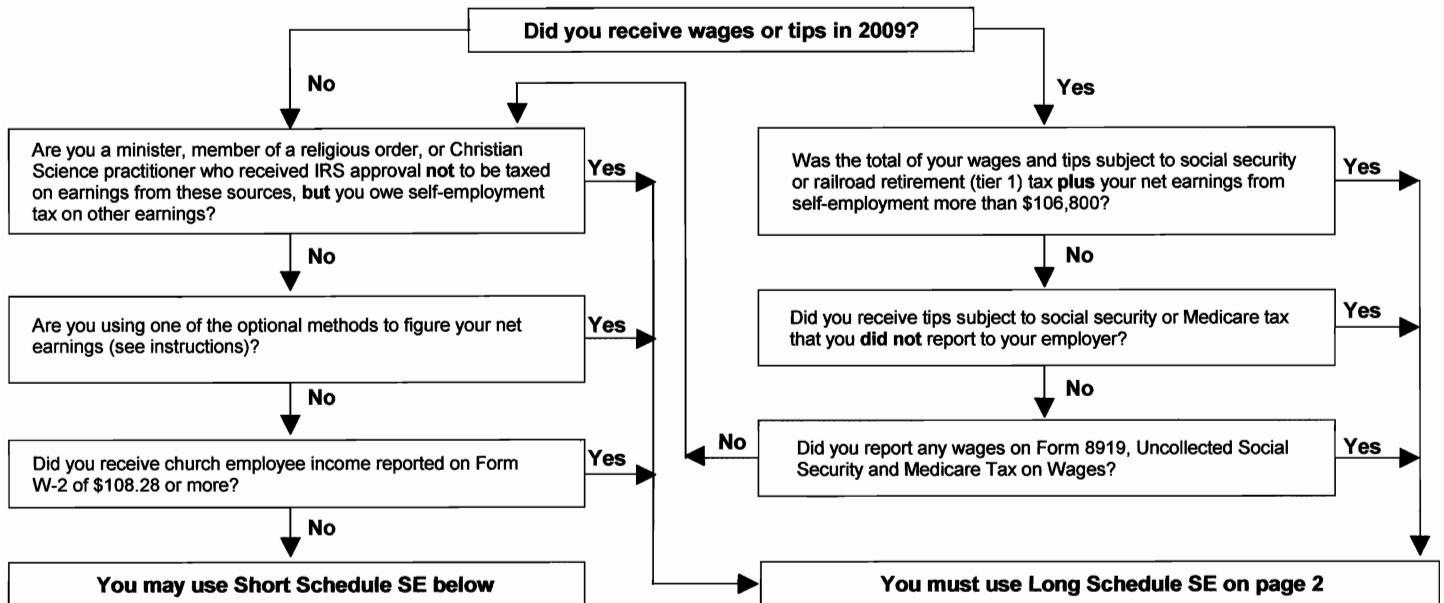
- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more, or
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order is **not** church employee income (see instructions).

**Note.** Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either "optional method" in Part II of Long Schedule SE (see instructions).

**Exception.** If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner and you filed Form 4361 and received IRS approval not to be taxed on those earnings, **do not** file Schedule SE. Instead, write "Exempt-Form 4361" on Form 1040, line 56.

**May I Use Short Schedule SE or Must I Use Long Schedule SE?**

**Note.** Use this flowchart **only** if you must file Schedule SE. If unsure, see *Who Must File Schedule SE*, above.



**Section A—Short Schedule SE. Caution.** Read above to see if you can use Short Schedule SE.

<b>1a</b> Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A . . . . .	<b>1a</b>	0
<b>b</b> If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 6b, or listed on Schedule K-1 (Form 1065), box 20, code X . . . . .	<b>1b</b>	( 0 )
<b>2</b> Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; and Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report . . . . .	<b>2</b>	79,291
<b>3</b> Combine lines 1a, 1b, and 2 . . . . .	<b>3</b>	79,291
<b>4</b> <b>Net earnings from self-employment.</b> Multiply line 3 by 92.35% (.9235). If less than \$400, do not file this schedule; you do not owe self-employment tax . . . . . ▶	<b>4</b>	73,225
<b>5</b> <b>Self-employment tax.</b> If the amount on line 4 is: • \$106,800 or less, multiply line 4 by 15.3% (.153). Enter the result here and on <b>Form 1040, line 56.</b> • More than \$106,800, multiply line 4 by 2.9% (.029). Then, add \$13,243.20 to the result. Enter the total here and on <b>Form 1040, line 56.</b> . . . . .	<b>5</b>	11,203
<b>6</b> <b>Deduction for one-half of self-employment tax.</b> Multiply line 5 by 50% (.5). Enter the result here and on <b>Form 1040, line 27</b> . . . . .	<b>6</b>	5,602

**Depreciation and Amortization**  
**(Including Information on Listed Property)**

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return Mary Q Translator	Business or activity to which this form relates SCH C 1	Identifying number 555-55-5555
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**Part I Election To Expense Certain Property Under Section 179**

**Note:** If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses . . . . .	<b>1</b>	250,000
2 Total cost of section 179 property placed in service (see instructions) . . . . .	<b>2</b>	
3 Threshold cost of section 179 property before reduction in limitation (see instructions) . . . . .	<b>3</b>	\$800,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- . . . . .	<b>4</b>	0
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions . . . . .	<b>5</b>	250,000
<b>6 (a) Description of property (b) Cost (business use only) (c) Elected cost</b>		
Computer	1,500	1,500
All other assets	2,275	2,275
7 Listed property. Enter the amount from line 29 . . . . .	<b>7</b>	150
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 . . . . .	<b>8</b>	3,925
9 Tentative deduction. Enter the smaller of line 5 or line 8 . . . . .	<b>9</b>	3,925
10 Carryover of disallowed deduction from line 13 of your 2008 Form 4562 . . . . .	<b>10</b>	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions) . . . . .	<b>11</b>	250,000
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 . . . . .	<b>12</b>	3,925
13 Carryover of disallowed deduction to 2010. Add lines 9 and 10, less line 12 . . . . . ▶	<b>13</b>	0

**Note:** Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) . . . . .	<b>14</b>	150
15 Property subject to section 168(f)(1) election . . . . .	<b>15</b>	
16 Other depreciation (including ACRS) . . . . .	<b>16</b>	0

**Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**

**Section A**

17 MACRS deductions for assets placed in service in tax years beginning before 2009 . . . . .	<b>17</b>	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here . . . . . ▶ <input type="checkbox"/>		

**Section B—Assets Placed in Service During 2009 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
<b>19a</b> 3-year property						
<b>b</b> 5-year property		0	5.00	HY	200DB	0
<b>c</b> 7-year property		150	7.00	HY	200DB	21
<b>d</b> 10-year property						
<b>e</b> 15-year property						
<b>f</b> 20-year property						
<b>g</b> 25-year property			25 yrs.		S/L	
<b>h</b> Residential rental property			27.5 yrs.	MM	S/L	
<b>i</b> Nonresidential real property			39 yrs.	MM	S/L	

**Section C—Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System**

<b>20a</b> Class life						
<b>b</b> 12-year			12 yrs.		S/L	
<b>c</b> 40-year			40 yrs.	MM	S/L	

**Part IV Summary (See instructions.)**

21 Listed property. Enter amount from line 28 . . . . .	<b>21</b>	0
22 Total. Add amounts from line 12, lines 14 through 17, line 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions . . . . .	<b>22</b>	4,096
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs . . . . . ▶	<b>23</b>	



Part V

Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? [X] Yes [ ] No 24b If "Yes," is the evidence written? [X] Yes [ ] No

Table with columns (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost. Includes rows 25-29.

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table with columns (a) Vehicle 1, (b) Vehicle 2, (c) Vehicle 3, (d) Vehicle 4, (e) Vehicle 5, (f) Vehicle 6. Includes rows 30-36.

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

Table with columns Yes, No. Includes rows 37-41.

Part VI Amortization

Table with columns (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Includes rows 42-44.

# Expenses for Business Use of Your Home

▶ **File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.**

**2009**  
Attachment  
Sequence No. **66**

Department of the Treasury  
Internal Revenue Service (99)

▶ **See separate instructions.**

Name(s) of proprietor(s)

Mary Q Translator

Your social security number  
555-55-5555

## Part I Part of Your Home Used for Business

1	Area used regularly and exclusively for business, regularly for daycare, or for storage of inventory or product samples (see instructions)	1	115
2	Total area of home	2	1,300
3	Divide line 1 by line 2. Enter the result as a percentage	3	8.85 %
<b>For daycare facilities not used exclusively for business, go to line 4. All others go to line 7.</b>			
4	Multiply days used for daycare during year by hours used per day	4	hr.
5	Total hours available for use during the year (365 days X 24 hrs) (see instructions)	5	8,760 hr.
6	Divide line 4 by line 5. Enter the result as a decimal amount	6	
7	Business percentage. For daycare facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3	7	8.85 %

## Part II Figure Your Allowable Deduction

8	Enter the amount from Schedule C, line 29, plus any net gain or (loss) derived from the business use of your home and shown on Schedule D or Form 4797. If more than one place of business, see instructions	8	80,854
<b>See instructions for columns (a) and (b) before completing lines 9-21.</b>			
9	Casualty losses (see instructions)	9	0
10	Deductible mortgage interest (see instructions)	10	0
11	Real estate taxes (see instructions)	11	
12	Add lines 9, 10, and 11	12	0
13	Multiply line 12, column (b) by line 7	13	0
14	Add line 12, column (a) and line 13	14	0
15	Subtract line 14 from line 8. If zero or less, enter -0-	15	80,854
16	Excess mortgage interest (see instructions)	16	
17	Insurance	17	360
18	Rent	18	10,200
19	Repairs and maintenance	19	300
20	Utilities	20	2,460
21	Other expenses (see instructions)	21	1,250
22	Add lines 16 through 21	22	14,270
23	Multiply line 22, column (b) by line 7	23	1,263
24	Carryover of operating expenses from 2008 Form 8829, line 42	24	
25	Add line 22 in column (a), line 23, and line 24	25	1,563
26	Allowable operating expenses. Enter the smaller of line 15 or line 25	26	1,563
27	Limit on excess casualty losses and depreciation. Subtract line 26 from line 15	27	79,291
28	Excess casualty losses (see instructions)	28	0
29	Depreciation of your home from line 41 below	29	0
30	Carryover of excess casualty losses and depreciation from 2008 Form 8829, line 43	30	
31	Add lines 28 through 30	31	0
32	Allowable excess casualty losses and depreciation. Enter the smaller of line 27 or line 31	32	0
33	Add lines 14, 26, and 32	33	1,563
34	Casualty loss portion, if any, from lines 14 and 32. Carry amount to Form 4684 (see instructions)	34	0
35	<b>Allowable expenses for business use of your home.</b> Subtract line 34 from line 33. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions	35	1,563

## Part III Depreciation of Your Home

36	Enter the smaller of your home's adjusted basis or its fair market value (see instr.)	36	0
37	Value of land included on line 36	37	
38	Basis of building. Subtract line 37 from line 36	38	0
39	Business basis of building. Multiply line 38 by line 7	39	0
40	Depreciation percentage (see instructions)	40	0.0000 %
41	Depreciation allowable (see instructions). Multiply line 39 by line 40. Enter here and on line 29 above	41	0

## Part IV Carryover of Unallowed Expenses to 2010

42	Operating expenses. Subtract line 26 from line 25. If less than zero, enter -0-	42	0
43	Excess casualty losses and depreciation. Subtract line 32 from line 31. If less than zero, enter -0-	43	0