

Suggested Tax Files

1. **Inventory** – Section 1 and 2 order sheets from the company-comes in the box with your product.
2. **Sales** – The front pink ticket is yours to file (give customer copies to the customer at sale and when giving product; shred all others), if any sales tax was “lost” due to discount, file a carbon copy in Lost Sales Tax
3. **Personal Use** – front pink ticket with wholesale price and retail tax, file a carbon copy in Lost Sales Tax
4. **Promotional Giveaway** – front pink ticket with wholesale price and retail tax, file a carbon copy in Lost Sales Tax
5. **Demos** - front pink ticket with wholesale price and retail tax, file a carbon copy in Lost Sales Tax
6. **Lost Sales Tax**—Carbons from sales tickets with any “lost” (not reimbursed through sale) tax noted clearly
7. **Returns and Allowances** – Bad checks, including service fees.
8. **Other Income** – Dovetail income
9. **Commissions** - 1099 from Mary Kay/Commission Statement
10. **Advertising** – Direct support, business cards, fair booths, old product donated to charity, etc.
11. **Car and Truck Expenses** –
 - a. Parking, tolls, and mileage (a mileage log is available at www.unitnet.com/abbotts under “Taxes”)
 - b. If you have a Mary Kay car or lease car, you need to keep track of all receipts, such as gas, oil changes, service and repairs, car washes, etc.
12. **Assistant** – Office help, Secretaries
13. **Depreciation** – Items costing over \$100 such as desks, filing cabinets, answering machines, computers, TV’s, VCR’s
14. **Insurance** – Product insurance, business liability, etc.
15. **Interest and Fees** - Interest on loans, office equipment, processing fees for customer credit cards, annual fees for business credit cards
16. **Legal and Professional Services** – Tax return preparation, bookkeeping, etc...
17. **Office Expense and Postage** – Paper, pens, pencils, postage, etc...
18. **Rent or Lease** –
 - a. Mary Kay Car (lease value)
 - b. Office equipment (copy machine, postage meter, etc...)
19. **Repairs and Maintenance** – Business equipment only
20. **Supplies** – Cotton balls, q-tips, bank service charges, beauty case, Sec. II and sales aids, birthday cards, books and tapes, demo’s and samples, copying, small equipment supplies (under \$100), film and processing, flowers, freight, gifts (not Sec. I and II), laundry, dry cleaning of director’s suit, director promotions – prizes and awards (not from 1099 MISC), etc...
21. **Travel** – Business only (taxi, shuttle, airfare, lodging)
”How to take a business trip vs. a vacation” -- Sell \$50/per day, sell \$250/per week, or recruit one person
22. **Meals and Entertainment**
23. **Utilities** – Telephone
24. **Other Expenses** – Meeting expense
25. **Office in the Home** – Utilities (such as electricity, gas, water, sewer and trash removal), home or renter’s insurance.

Everyone will need to do at least a Schedule C for their taxes!