

AN ARTIST'S GUIDE TO THE SCHEDULE C

COMMON ARTIST EXPENSES

<p>Copying, printing Promotion Website expenses/hosting</p>
<p>Gallery fees</p>
<p>Studio Assistant/anyone you hired for contract work* <small>* While all amounts you paid contractors are deducted here, you also must issue a 1099-MISC, by 1/31, to any contractor you paid \$600 or more for the year.</small></p>
<p>Equipment, computers, phones, and software</p>
<p>Business insurance</p>
<p>Legal fees Tax preparation</p>
<p>Apps that are business related (mileage tracker, etc) Internet (as a % of your total usage) Messengers, private mail carriers, postage</p>
<p>Studio rent (outside of home)</p>
<p>Art supplies Film & processing Framing Office supplies</p>
<p>Cabs, subways, buses Travel</p>
<p>Business meals and entertainment</p>
<p>Electric and gas cellphone (listed as a % of your total cellphone usage)</p>
<p>Memberships (museums, professional organizations) Books, magazines, reference material Cultural events/museum entrance fees Business gifts</p>
<p>Home studio/home office expenses</p>

By law, your business expenses must be "ordinary and necessary" to qualify. This means that if the industry standard is a Motel 6, and you book the Ritz-Carlton, you may deduct only the Motel 6 amount.

SCHEDULE C CATEGORIES

- Advertising
- Car and truck expenses
- Commissions and fees
- Contract labor
- Depletion
- Depreciation and section 179 expenses deduction (not included in Part III)
- Employee benefit programs (other than on line 19)
- Insurance (other than health)
- Interest
 - a) Mortgage (paid to banks, etc.)
 - b) other
- Legal and Professional services
- Office Expense
- Pension and profit-sharing plans
- Rent or lease:
 - a) Vehicles, machinery, equipment
 - b) other business property
- Repairs and maintenance
- Supplies (not included in Part III)
- Taxes and Licenses
- Travel, meals and entertainment:
 - a) Travel
 - b) Deductible meals and entertainment
- Utilities
- Wages (less employment credits)
- Other expenses (from line 48), List as:
 - Professional development
 - Research expenses
 - Business gifts (limit to \$25 each)
- Reserved for future use
- LINE 30 Expenses for business use of home

EXPLANATIONS

1) actual cost: tires, insurance, repairs, gas, etc. *OR*
2) mileage method: 2016 rate is \$.0.54/business mile (usually more money saved this way)

Provide date purchased, price, and description. You generally can't deduct the entire cost of equipment in one year. Depreciation means that you spread the cost out over several years. Tax software or your accountant will do the calculation for you.

For home studio/home office:

- indicate the date you began using your home studio for business
- total square footage of your home and the square footage of your studio space
- A portion of your home costs may be deducted as part of the home studio ratio. So you should track: mortgage/rent, insurance, utilities. Your tax software or accountant will also calculate depreciation on the studio portion of your home, if you own it.
- So a 300 ft² studio inside a 1000 ft² home is 300/1000 or 30% of your home. In this example, 30% of your rent, utilities and insurance may also be deducted.