

SCHEDULE C
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)

► Go to www.irs.gov/ScheduleC for instructions and the latest information.

► Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships must generally file Form 1065.

OMB No. 1545-0074

2021

Attachment
Sequence No. **09**

Name of proprietor

Social security number (SSN)

A Principal business or profession, including product or service (see instructions)

B Enter code from instructions

C Business name. If no separate business name, leave blank.

D Employer ID number (EIN) (see instr.)

E Business address (including suite or room no.) ►

City, town or post office, state, and ZIP code

F Accounting method: (1) ☐ Cash (2) ☐ Accrual (3) ☐ Other (specify) ►

G Did you "materially participate" in the operation of this business during 2021? If "No," see instructions for limit on losses ☐ Yes ☐ No

H If you started or acquired this business during 2021, check here ☐

I Did you make any payments in 2021 that would require you to file Form(s) 1099? See instructions ☐ Yes ☐ No

J If "Yes," did you or will you file required Form(s) 1099? ☐ Yes ☐ No

Part I Income

1 Gross receipts or sales. See instructions for line 1 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 ☐

2 Returns and allowances

3 Subtract line 2 from line 1

4 Cost of goods sold (from line 42)

5 **Gross profit.** Subtract line 4 from line 3

6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)

7 **Gross income.** Add lines 5 and 6

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

8 Advertising

9 Car and truck expenses (see instructions)

10 Commissions and fees

11 Contract labor (see instructions)

12 Depletion

13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)

14 Employee benefit programs (other than on line 19)

15 Insurance (other than health)

16 Interest (see instructions):

a Mortgage (paid to banks, etc.)

b Other

17 Legal and professional services

18 Office expense (see instructions)

19 Pension and profit-sharing plans

20 Rent or lease (see instructions):

a Vehicles, machinery, and equipment

b Other business property

21 Repairs and maintenance

22 Supplies (not included in Part III)

23 Taxes and licenses

24 Travel and meals:

a Travel

b Deductible meals (see instructions)

25 Utilities

26 Wages (less employment credits)

27a Other expenses (from line 48)

b **Reserved for future use**

28 **Total expenses** before expenses for business use of home. Add lines 8 through 27a

29 Tentative profit or (loss). Subtract line 28 from line 7

30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions.

Simplified method filers only: Enter the total square footage of (a) your home:

and (b) the part of your home used for business: Use the Simplified

Method Worksheet in the instructions to figure the amount to enter on line 30

31 **Net profit or (loss).** Subtract line 30 from line 29.

• If a profit, enter on both **Schedule 1 (Form 1040), line 3**, and on **Schedule SE, line 2**. (If you checked the box on line 1, see instructions). Estates and trusts, enter on **Form 1041, line 3**.

• If a loss, you **must** go to line 32.

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 **Schedule 1 (Form 1040), line 3**, and on **Schedule SE, line 2**. (If you checked the box on line 1, see the line 31 instructions.) Estates and trusts, enter on **Form 1041, line 3**.

• If you checked 32b, you **must** attach **Form 6198**. Your loss may be limited.

32a ☐ All investment is at risk.

32b ☐ Some investment is not at risk.

Part III Cost of Goods Sold (see instructions)

33	Method(s) used to value closing inventory: a <input type="checkbox"/> Cost b <input type="checkbox"/> Lower of cost or market c <input type="checkbox"/> Other (attach explanation)	
34	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes <input type="checkbox"/> No
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
41	Inventory at end of year	41
42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4	42

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 2021, 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? <input type="checkbox"/> Yes <input type="checkbox"/> No
46	Do you (or your spouse) have another vehicle available for personal use? <input type="checkbox"/> Yes <input type="checkbox"/> No
47a	Do you have evidence to support your deduction? <input type="checkbox"/> Yes <input type="checkbox"/> No
b	If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No

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

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
48	Total other expenses. Enter here and on line 27a 48

THE SELF-EMPLOYED ZERO TAX DUE DEDUCTION CHEATSHEET

INSTRUCTIONS: Personalize this cheatsheet by using the Your Expenses column to write down all your expenses that fall under the corresponding deduction. Print or fill out digitally and refer to every time you do your accounting.

DEDUCTION	YOUR EXPENSES
Advertising & Promotion Marketing (ex. Facebook ads, Adwords, Mailchimp, print ads) Promotion (business cards, flyers, pens) Website (domain names, hosting, themes, plugins, subscriptions website services)	
Auto Insurance Gas Parking & tolls Registration fees & licenses Repairs & maintenance (tires, car washes, taking it to the shop)	
Bank Fees (exclusive business use only) Bank services fees (monthly fees, ATM fees) Credit card fees (annual fees, late fees)	
Business Licenses & Permits	

DEDUCTION	YOUR EXPENSES
Charitable Contributions (must be 501(c)3)	
Consultation	
Cost of Goods Sold	
Dues & Subscriptions (professional organizations)	
Education Books & research materials (printed books, ebooks, audio books, magazines, newspapers) Professional development Workshops & trainings (in-person trainings, online courses, tele classes)	
Equipment Rental (tools, machinery)	
Gifts Given (\$25 per person per year)	

DEDUCTION	YOUR EXPENSES
Home Office Rent or mortgage Utilities Homeowner's or renter's insurance Repairs	
Insurance (not health!)	
Interest Expense Finance charges Loan interest	
Legal & Professional Fees (legal consultation, accounting, bookkeeping, tax prep)	
Meals & Entertainment	
Merchant Processing Fees (aka credit card processing fees)	
Office Expenses Equipment (printer, computer, laptop, camera) Postage Printing (thank you cards, branded stationery) Software (Dropbox, Google apps, Evernote, Quickbooks Online) Supplies (pens, paper, ink, file folders)	

DEDUCTION	YOUR EXPENSES
Rent	
Repairs & Maintenance	
Subcontractor	
Telephone Expense	
Travel Expenses Airfare Ground transportation (taxis, Lyft, Uber, public transportation) Lodging (hotels, Air BnB, VRBO) Local travel (taxis, Lyft, Uber, public transportation in your local area) Travel meals	
Utilities (for business space) Electricity Water & garbage Security system Internet	

INDUSTRY SPECIFIC DEDUCTIONS

DEDUCTION	YOUR EXPENSES