

CLIENT NAME: _____

BUSINESS USE OF VEHICLE(S)

TAX YEAR: _____

Vehicle expenses are reported separately from business/farm/rental activity to allocate business and personal use.

Taxpayers may use either of the two methods for deducting the business use of vehicles listed below, **BUT NOT BOTH.**

- 1) Depreciation and actual expenses, based on the amount of business use.
- 2) Standard mileage rate (which includes fuel, oil, repairs/maintenance, insurance and depreciation).

We need **BOTH** mileage and actual expense information to determine the best method for your circumstances.

Traveling to and from your primary work location is generally considered commuting mileage and is NON-DEDUCTIBLE. For example, if you were an employee, the company wouldn't pay your way to and from the office each day.

If vehicle expenses are examined by a tax agency, you will be asked to substantiate your claim (detailed mileage logs, receipts, etc.) **Estimates are not sufficient records.** The IRS has steadily increased its audits of vehicle deductions because most people don't keep the required records.

VEHICLE	Example	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4
Yr/Make/Model	2018 Ford				

MILEAGE INFO

Odometer- End of Year	135,414				
Odometer- Beg of Year	112,706				
1) Total miles	22,708				
2) Business miles	18,521				
Which Business, if multiple?					
Do you have <u>written</u> records? Circle one:		Y N	Y N	Y N	Y N

ACTUAL EXPENSES

Fuel				
Repairs & Oil changes				
Tires				
Insurance				
Vehicle Registration/Tags				
Loan Interest				

CLIENT SIGNATURE: _____

Office Use:	Asset #				
	Method Used:				