

# DAY CARE INCOME and EXPENSE WORKSHEET

YEAR \_\_\_\_\_

YOUR NAME \_\_\_\_\_ SS# or Federal ID # \_\_\_\_\_

NAME OF DAY CARE BUSINESS \_\_\_\_\_

ADDRESS (if different than your residence) \_\_\_\_\_

How many months was this business in operation during the year? 12 Months  OR From \_\_\_\_\_ To \_\_\_\_\_

Were you still in business on December 31st? YES  NO

## ▼ DAY CARE INCOME ▼

<b>INCOME DIRECTLY FROM PARENTS</b>	_____	<b>FOOD PROGRAM PAYMENTS</b>	_____
<b>PAYMENTS FROM GOVERNMENT AGENCIES</b>	_____	<b>Total received</b>	_____
<b>CASH GIFTS FROM PARENTS</b>	_____	<b>Amount for your children</b>	_____
<b>SALES OF EQUIPMENT USED FOR DAY CARE AND DEDUCTED IN THE PAST</b>	_____	<b>Amount for others</b>	_____
		<b>Other Income</b>	_____

### OFFICE IN HOME (If licensed, or not required to be)

Date Home Acquired	_____
Total Cost	_____
Cost of Land	_____
Cost of Improvements	_____
Square Footage of Home	_____
Square Footage Used for Day Care (regularly)	_____
Square Footage Used for Day Care (exclusively)	_____

If your work hours are irregular, you may claim the hours that you advertise as business hours as long as you actually care for children all of those hours at least some days during the year.

Keep a daily log with "Time In" and "Time Out" entries.

In addition to the hours spent on Day Care, you may claim the time spent on Day Care related jobs such as:

\_\_\_\_\_ cleaning up after children

\_\_\_\_\_ food preparation

\_\_\_\_\_ record keeping

\_\_\_\_\_ planning and preparation

\_\_\_\_\_ other (specify)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ DAY CARE hours per day

\_\_\_\_\_ Number of days during the year when children were in your care

\_\_\_\_\_ If hours vary, total of hours for Year

HOME RELATED EXPENSES	100% Day Care	Partial
Real Estate Taxes		
Mortgage Interest		
Casualty Loss		
Electricity		
Heat		
Insurance - General Policy		
Insurance - Day Care Rider		
Repairs/Maintenance		
Water/Sewer/Garbage/Cable TV		
Rent Paid - if you are a renter		
Other (specify)		

IN CASE OF AN AUDIT, THESE RECORDS WILL BE REQUIRED.

If you operated your day care business out of more than one location, call for additional worksheet.

<p><b>AUTO EXPENSE:</b> Keep records of mileage for Day Care meetings, shopping trips for supplies, banking, education, taking children home, to doctor or to events.</p> <p>If you take expense on mileage basis complete lines 1-10</p> <ol style="list-style-type: none"> <li>Year &amp; Make of Auto (Bring in purchase/sales papers) _____</li> <li>Date Purchased: Month, Date, Year _____</li> <li>Ending Odometer Reading: December 31 _____</li> <li>Beginning Odometer Reading: January 1 _____</li> <li>Total Miles Driven: Line 3 less Line 4 _____</li> <li>Total Day Care Miles in Line 5 (do you have evidence to support?) _____</li> <li>Daily Round Trip Miles (if Day Care not in your home) _____</li> <li>Parking and Tolls _____</li> <li>Licenses and Taxes (Not Sales Tax) _____</li> <li>Interest [continue below if you take actual expense] _____</li> <li>Gasoline, oil, lube, repairs, tires, batteries, insurance, etc. _____</li> <li>Lease (fair market value at time of lease \$ _____)</li> <li>Other _____</li> </ol>	<p><b>FOOD</b></p> <p>Your total grocery bill (in an audit, you must prove a reasonable amount spent for personal. _____)</p> <p>Amount spent on Day Care _____</p> <p>IRS has used the federal food program allowance to determine cost of food provided to the children. List below the number of all meals served during year in your home, not just those reimbursed - plus cost of meals purchased in a restaurant, etc.</p> <table> <tr><td>BREAKFAST</td><td>Total Count</td><td>_____</td></tr> <tr><td>LUNCHES</td><td>Total Count</td><td>_____</td></tr> <tr><td>DINNERS</td><td>Total Count</td><td>_____</td></tr> <tr><td>MORNING SNACKS</td><td>Total Count</td><td>_____</td></tr> <tr><td>AFTERNOON SNACKS</td><td>Total Count</td><td>_____</td></tr> <tr><td>Cost of Meals Purchased in Restaurant</td><td></td><td>_____</td></tr> </table>	BREAKFAST	Total Count	_____	LUNCHES	Total Count	_____	DINNERS	Total Count	_____	MORNING SNACKS	Total Count	_____	AFTERNOON SNACKS	Total Count	_____	Cost of Meals Purchased in Restaurant		_____
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## DAY CARE BUSINESS EXPENSES (continued)

<p><b>ADVERTISING/PROMOTION:</b> Newspaper ads, business cards, Day Care t-shirts/sweatshirts, etc.</p> <p><b>AUTO EXPENSE</b> (see other side)</p> <p><b>EMPLOYEE BENEFITS:</b> Health insurance purchased for employees</p> <p><b>INSURANCE:</b> Business Liability</p> <p><b>INTEREST:</b>       on items used for day care only                              Paid to financial institution                              Day Care only credit card</p> <p><b>LEGAL &amp; PROFESSIONAL:</b> Day Care only attorney or accountant fees</p> <p><b>OFFICE SUPPLIES:</b> Postage, stationery, pens, pencils, small office equipment, holiday or birthday cards, Day Care record books, calendars</p> <p><b>PENSION PLANS:</b> for employees</p> <p><b>RENT:</b>            Building (if Day Care not in home)                              Toy rental                              Videos / DVDs</p> <p><b>REPAIRS and MAINTENANCE</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"><b>SUPPLIES:</b></td> <td style="width: 40%;">Household cleaning supplies, hand soap, tissues, paper towels, paper cups, plates, disposable cutlery, etc.</td> <td style="width: 10%;">100% Day Care</td> <td style="width: 10%;">Shared</td> </tr> <tr> <td></td> <td>Activity or children's supplies, games, toys, crayons, craft items.</td> <td></td> <td></td> </tr> </table> <p><b>TAXES:</b>       Real estate                              Payroll (your share Soc. Sec., Medicare)                              Federal unemployment                              State unemployment</p> <p><b>TRAVEL &amp; ENTERTAINMENT:</b> Costs for entertainment of parents, tickets to events, etc.          DOCUMENT WHO, WHEN, WHY</p>	<b>SUPPLIES:</b>	Household cleaning supplies, hand soap, tissues, paper towels, paper cups, plates, disposable cutlery, etc.	100% Day Care	Shared		Activity or children's supplies, games, toys, crayons, craft items.			<p><b>UTILITIES &amp; TELEPHONE:</b></p> <p>Telephone (business line - if you have one)</p> <p>Personal phone (base phone cost not deductible)</p> <p>Extra extension (phone options for Day Care)</p> <p>Long distance costs for Day Care</p> <p><b>WAGES</b> (bring your copy of W-2s/941s if they have been filed)                              Wages to spouse (subject to payroll tax)                              Children under 18 (not subject to Soc.Sec. &amp; Medicare tax)                              Other wages</p> <p><b>BANK CHARGES/OVERDRAFTS:</b> Business account only - cost of printed checks, service charges.</p> <p><b>CLOTHES:</b> For Day Care children - caps, mittens, diapers, etc.</p> <p><b>DUES &amp; PUBLICATIONS:</b> Day Care license, assn. dues, Day Care magazines for you or children.</p> <p><b>EDUCATION:</b> Workshop registration, books, supplies</p> <p><b>FOOD:</b> (see other side)</p> <p><b>GIFTS:</b> For Day Care children and true employees - holiday, birthday, etc.</p> <p><b>LAUNDRY &amp; CLEANING:</b> Professional cleaning of furniture, carpeting, drapes: only a percentage will be allowed unless you can show that Day Care was 100% responsible for cleaning.          Directly related to Day Care          Partially related to Day Care</p> <p><b>UNIFORMS:</b> Furnished to employees and for yourself.</p> <p><b>OTHER EXPENSES</b> (not listed elsewhere)</p> <p>_____</p> <p>_____</p> <p>_____</p>
<b>SUPPLIES:</b>	Household cleaning supplies, hand soap, tissues, paper towels, paper cups, plates, disposable cutlery, etc.	100% Day Care	Shared						
	Activity or children's supplies, games, toys, crayons, craft items.								

## MAJOR PURCHASES and IMPROVEMENTS

(Computers, office equipment, furnishings)

Item Purchased	Date Purchased	Cost	Item Purchased	Date of Purchase	Cost

**CHECK LAST YEAR'S DEPRECIATION FORM TO SEE IF ALL ITEMS ARE CURRENT**

\*1099s: Amounts of \$600.00 or more paid to individuals (not corporations) for rent, interest, or services rendered to you in your business, require information returns to be filed by payer.  
 - Nonfiling penalty can be \$150 each recipient.

- You are required to withhold taxes if recipient does not furnish you with his/her Social Security Number.
- Due date of form is January 31.

Name	Address	Social Security #	Amount	Purpose of Payment

W-9s (Request for Payee's Social Security Number) are available.

I certify that the amounts shown are true and correct \_\_\_\_\_

please sign



RECREATION ROOM Item	No. of Items	Cost	Fair Mkt. Value
Billiard table			
Books			
Card table			
Chairs			
Clocks			
Curtains			
DVD player/VCR			
Games			
Lamps			
Pictures			
Ping Pong table			
Radio			
Rugs			
Sofa			
Tables			
Telephone			
Television			

ELECTRICAL APPLIANCES Item	No. of Items	Cost	Fair Mkt. Value
Air conditioner			
Blankets			
Dehumidifier			
Fans			
Floor polisher			
Grill			
Heating pad			
Humidifier			
Sewing machine			
Sun lamp			
Vacuum cleaner			

RECREATION/ AMUSEMENT Item	No. of Items	Cost	Fair Mkt. Value
Computer			
CDs/Tapes			
DVD Player/VCR			
DVDs/Videos			
Musical instrum.			
Radios			
Stereo			
Television			

SPORT EQUIP. Item	No. of Items	Cost	Fair Mkt. Value
Boat & motor			
Cameras			
Camping equip.			
Field glasses			
Fishing tackle			
Golf clubs			
Lawn games			
Tennis racquets			

**FAIR MARKET VALUE SUMMARY:**

ROOM	TOTAL
ENTRANCE	
LIVING ROOM/DEN	
DINING ROOM	
BEDROOMS	
KITCHEN	
RECREATION ROOM	
LAUNDRY	
GARAGE	
ELECTRIC APPLIANCES	
SPORTING EQUIPMENT	
LINENS	
OUTDOORS	
REC/AMUSEMENT	

LAUNDRY/ BASEMENT Item	No. of Items	Cost	Fair Mkt. Value
Chairs			
Dryer			
Electric iron			
Food freezer			
Ironing board			
Ladder			
Luggage			
Tables			
Tools			
Tubs			
Washing machine			
Work bench			

LINENS Item	No. of Items	Cost	Fair Mkt. Value
Bath mats			
Bedspreads			
Blankets			
Comforters			
Mattress pads			
Napkins			
Pillows			
Pillowcases			
Placemats			
Quilts			
Sheets			
Tablecloths			
Towels			
Washcloths			

GARAGE Item	No. of Items	Cost	Fair Mkt. Value
Bicycles			
Garden hose			
Garden tools			
Hedge trimmer			
Ladder			
Lawn mower			
Snow blower			
Sprayer			
Spreader			
Tiller			
Tools			
Wheelbarrow			

OUTDOORS Item	No. of Items	Cost	Fair Mkt. Value
Barbecue			
Lawn furniture			
Outdoor shed			
Picnic set			
Porch furniture			
Swing set			
Toys			

**TOTAL:** \_\_\_\_\_

- Furnishings can be depreciated using the lesser of cost or FMV over 7 years.
- Computers are written off over 5 years and other recreation and amusement items over 12 years.