



TIPS AND THINGS TO KEEP IN MIND-

- When you have a Food Establishment business, you usually are considered “SELF EMPLOYED” or depending on how you file your taxes, you are categorized as a SOLE PROPRIETOR. However, there are many ways to file your taxes. Always UTILIZE A PROFESSIONAL.
- Typically Some Food Establishments are given CASH and/or 1099K forms for their services/ credit card sales (respectively). These forms differ from a W-2 because they do not withhold any taxes such as Medicare, Social Security, Federal or State income.
- You must declare (submit/report) ALL INCOME you received from your business. DO NOT just report the form that was sent such as the (1099 NEC or 1099K). You need to report everything including cash payments from other apps such as Zelle, Cash APP, Venmo, Paypal, Chime etc. □ SINCE TAX LAWS AND TAXES ALWAYS CHANGE, IT IS IMPORTANT TO SPEAK WITH A TAX PREPARER/ TAX ACCOUNTANT REGARDING YOUR TAX SITUATION. EVERY SITUATION IS NOT THE SAME AND DOES NOT ALWAYS FOLLOW SAME METHODS.

HERES A DEDUCTION CHEAT SHEET TO USE AS A GUIDE WHEN PREPARING TO GET YOUR TAXES FILED.

ADVERTISING

- ADS
- BUSINESS CARDS
- PRINTING



- PRODUCT SAMPLES

AUTO AND TRUCK EXPENSES

- DEDUCT MILEAGE AT .56 PER MILE FOR 2021

OR

- CAR PAYMENTS (IF VEHICLE IS LEASED)
- DEPRECIATION (IF VEHICLE IS OWNED)
- GAS
- INSURANCE
- MAINTENANCE AND REPAIRS
- PARKING AND TOLLS
- REGISTRATION (DMV) FEES
- TIRES

BANK FEES

- ANNUAL FEES
- ATM TRANSACTION FEES
- CREDIT CARD PROCESSING FEES
- LATE PAYMENT FEES
- MERCHANT ACCOUNT FEES
- MONTHLY SERVICE FEES
- NSF FEES

COMMISSIONS

- CONTRACT LABORS
- FRANCHISE FEE

COMMUNICATION

- CELL PHONE SERVICES/BILL
- INTERNET
- FAX TRANSMISSION

COST OF GOOD SOLD

- DISCOUNTS
- INVENTORY SHRINKAGE (DAMAGE, THEFT, MISPLACEMENT, ETC.)
- LABOR
- MATERIALS/ SUPPLIES
- RETURNS AND REFUNDS



EMPLOYEE BENEFITS

- HEALTH INSURANCE
- MILEAGE REIMBURSEMENT

INSURANCE

- GENERAL LIABILITY
- BUILDING AND EQUIPMENT
- PROFESSIONAL LIABILITY
- WORKER'S COMPENSATION

INTEREST

- MORTGAGE (BUSINESS BLDG)
- EQUIPMENT LOANS
- BUSINESS CREDIT CARDS

LICENSE & PERMITS

- DBA'S (DOING BUSINESS AS)
- BUSINESS LICENSE
- PERMIT

OFFICE EXPENSES

- POSTAGE & DELIVERY
- OFFICE SUPPLIES

PROFESSIONAL FEES

- ACCOUNTING
- BOOKKEEPING
- LEGAL

RENT/LEASE

- MACHINERY AND EQUIPMENT
- OTHER BUSINESS PROPERTY

REPAIRS & MAINTENANCE

- EQUIPMENT
- BUILDING



SUPPLIES

- EQUIPMENT
- SMALL CLEANING SUPPLIES

UTILITIES

- ELECTRICITY
- NATURAL GAS/HEATING FUEL
- WASTE REMOVAL

TRAVEL

- LODGING
- MEAL & TIPS
- CONVENTION FEES
- AIRFARE
- TRANSPORTATION

OTHER SERVICES

- DUES AND PUBLICATIONS
- EDUCATION/ MANUALS
- FUEL FOR EQUIPMENT (NOT AUTO/TRUCK)
- LAUNDRY & CLEANING, LINEN SERVICE
- UNIFORMS, BOOTS/SHOES
- WEBSITE

PLEASE KEEP IN MIND THESE TAX DEDUCTIONS ARE JUST REFERENCE POINTS. YOU MAY HAVE DIFFERENT DEDUCTIONS OR YOU MAY CATEGORIZE THEM DIFFERENTLY.

