



Office in Home - Deduction Worksheet

Client Name		Tax Year	
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Square Foot / Percentage

Office (Sq. Ft.)		Total Home (Sq. Ft.)	
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Deductible Costs

Mortgage Interest		Rent	
Real Estate Taxes		Insurance	
Repairs / Maintenance		HOA Dues	
Other (specify)		Other (specify)	
Utilities: Gas / Electric			
Water / Sewer / Trash			
Internet			
Cable TV			
Other (specify)			

Qualification Guidelines

You may deduct your home office expenses if you meet any of the three tests described below: the principal place of business test, the place for meeting patients, clients or customers test, or the separate structure test. You may also deduct the expenses of certain storage space if you qualify under the rules described further below.

Principal place of business. You are entitled to home office deductions if you use your home office, exclusively and on a regular basis, as your principal place of business. What "exclusively and on a regular basis" means is not entirely self-evident. We can help you figure out whether your home office satisfies this make-or-break requirement. Your home office is your principal place of business if it satisfies either a management or administrative activities test, or a relative importance test. You satisfy the management or administrative activities test if you use your home office for administrative or management activities of your business, and if you meet certain other requirements. You meet the relative importance test if your home office is the most important place where you conduct your business, in comparison with all the other locations where you conduct that business.

Home office used for meeting patients, clients, or customers. You are entitled to home office deductions if you use your home office, exclusively and on a regular basis, to meet or deal with patients, clients, or customers. The patients, clients or customers must be physically present in the home office.

Separate structures. You are entitled to home office deductions for a home office, used exclusively and on a regular basis for business, that is located in a separate unattached structure on the same property as your home - for example, an unattached garage, artist studio, workshop, or office building.

Space for storing inventory or product samples. If you are in the business of selling products at retail or wholesale, and if your home is your sole fixed business location, you can deduct home expenses allocable to space that you use regularly, but not necessarily exclusively, to store inventory or product samples.

I pass at least one of the above tests, and therefore qualify for the office in home deduction.

Signature		Date	
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