

2010 Vehicle Expense Summary

To be able to deduct vehicle expenses, you must have a written record of your business use. The best kind of record is a separate logbook in which you record your mileage every day. However, if you record the date, location, and purpose of your appointments in a calendar or appointment book, and you know the mileage to each location, this also counts as a written record. **Please complete a separate sheet for each vehicle and each business and each driver.**

If you are an employee, your vehicle expense is deductible only to the extent that it is not reimbursed and is greater than 2% of your total income.

If you are able to deduct vehicle expenses, you may deduct either your actual expenses or an amount based on the number of miles you drove. **For either method, you must keep track of your business and non-business miles.**

Description of Vehicle (include year, make and model): _____		
		2010 Mileage
Who drove this car? _____		
For what business? _____	Business Miles	_____
	Commuting Miles (<i>to and from work</i>)	_____
Beginning Odometer: _____	Personal Miles	_____
Ending Odometer: _____	Total Miles	<u> </u>

Standard Mileage Rate:

For 2010, the standard mileage rate was 50 cents per mile. For 2011, the rate is 51 cents per mile.

Business parking and tolls are deductible in addition to the standard mileage rate.

Total Business Parking and Tolls: \$ _____

If you are self-employed, interest paid to purchase your car is deductible in addition to the standard mileage rate.

Total interest paid in 2010: \$ _____

Actual Expenses:

For most people, the standard mileage rate gives a higher deduction than actual expense. If you have extremely low total miles for the year, or if you had extraordinarily high expenses (large repair bills, low fuel economy, etc.), actual expense may give you a higher deduction. **If this is your first year using actual expenses, your return preparation fee may be increased \$25.**

Please list your actual vehicle expenses below.

Gas: \$ _____	Tags: \$ _____
Oil: \$ _____	Excise Tax: \$ _____
Tires: \$ _____	Parking & Tolls: \$ _____
Repairs: \$ _____	Rentals (short term) \$ _____
Insurance: \$ _____	Lease payments \$ _____
Car Wash: \$ _____	

Purchase price of your vehicle: \$ _____

Date Purchased: _____ Date you began using it for business: _____

If your vehicle is leased, please enclose a copy of your lease agreement.

Business Mileage

The rules below generally apply to travel within the area you live and/or work. For travel outside of your local area, see our newsletter on business travel. These rules apply only to cars, vans, and pickups.

What local transportation is deductible? Business transportation (between one business location and another) is generally deductible. Commuting transportation (between your home and a business location) is never deductible. If you have a home office that is your **principal place of business**, your home office counts as a business location, even if you do not claim a home office deduction on your tax return.

Business transportation includes:

- Getting from one job to another. If you regularly work at two or more places in one day, whether or not for the same employer, you **can** deduct your transportation expenses of getting from one workplace to another. You **cannot** deduct your transportation costs between your home and second job on a day off from your main job.
- Visiting clients or customers.
- Going to a business meeting away from your regular workplace.
- Getting from your home to a **temporary** workplace when you have one or more regular places of work. A temporary workplace is one where your work assignment is realistically expected to last (and does in fact last) one year or less. Unless you have a regular place of business, you can only deduct your transportation expenses to a temporary workplace outside your metropolitan area.
- *Making business calls while travelling, transporting tools or equipment, or driving a carpool to work does **not** change commuting transportation to business transportation.*

If you have a regular place of business outside your house (for example, you, your employer, or your client/customer provides you with an office, shop, or store to work in), mileage from your home in the morning and back to your home at night is nondeductible commuting mileage.

If you have a deductible home office (even if you choose not to deduct it) and if you do not have a regular place of business besides your home office, all of your business related mileage is deductible. That is, you do not have any nondeductible commuting mileage.

Assuming you have at least one “regular place of business”, miles **between your home and**

- your regular place of business,
- your main job, or
- your second job

are **nondeductible** commuting miles.

Mileage to and from your home and a temporary place of business (where you actually perform work), and mileage **between your regular place of business and**

- a temporary workplace
- a second job
- a business errand, such as bank, post office, or office supply store
- a client
- a business related meeting

are all **deductible**.

There are a few people who are not considered to have any “regular place of business,” because they **go to a different local location every day**. For example, a construction worker who is dispatched from his house, or an outside salesman who has no office. If you think you fall into this category, call us, because these rules do not apply to you.