

# 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)

| 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)                 |               |         |

\_\_\_\_\_ 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

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

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

### AUTO EXPENSE: Keep records of mileage for Day Care meetings, shopping trips for supplies, banking, education, taking children home, to doctor or to events.

- If you take expense on mileage basis complete lines 1-10
- Year & Make of Auto (Bring in purchase/sales papers) \_\_\_\_\_
  - Date Purchased: Month, Date, Year \_\_\_\_\_
  - Ending Odometer Reading: December 31 \_\_\_\_\_
  - Beginning Odometer Reading: January 1 \_\_\_\_\_
  - Total Miles Driven: Line 3 less Line 4 \_\_\_\_\_
  - Total Day Care Miles in Line 5 (do you have evidence to support?) \_\_\_\_\_
  - Daily Round Trip Miles (if Day Care not in your home) \_\_\_\_\_
  - Parking and Tolls \_\_\_\_\_
  - Licenses and Taxes (Not Sales Tax) \_\_\_\_\_
  - Interest [continue below if you take actual expense] \_\_\_\_\_
  - Gasoline, oil, lube, repairs, tires, batteries, insurance, etc. \_\_\_\_\_
  - Lease (fair market value at time of lease \$ \_\_\_\_\_)
  - Other \_\_\_\_\_

### FOOD

Your total grocery bill (in an audit, you must prove a reasonable amount spent for personal). \_\_\_\_\_  
 Amount spent on Day Care \_\_\_\_\_  
 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.

|                                       |             |       |
|---------------------------------------|-------------|-------|
| BREAKFAST                             | Total Count | _____ |
| LUNCHES                               | Total Count | _____ |
| DINNERS                               | Total Count | _____ |
| MORNING SNACKS                        | Total Count | _____ |
| AFTERNOON SNACKS                      | Total Count | _____ |
| Cost of Meals Purchased in Restaurant |             | _____ |

## DAY CARE BUSINESS EXPENSES (continued)

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

## 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