

List of Common Business Expenses

- 1 Accounting
- 2 - Auditing
- 3 - Bookkeeping
- 4 - Tax planning
- 5 - Tax preparing and filing any tax returns
- 6 - Cost of government investigation of any tax returns
- 7 - Cost of defense against any IRS or state agency audits or challenges
- 8 Accounts Receivable, worthless (bad debt)
- 9 Achievement awards - requires a plan
- 10 - Longevity award
- 11 - Safety award
- 12 - Sales award
- 13 Advances made to employees or salespeople where repayment is not expected
- 14 Advances to employees canceled as a bonus
- 15 Advertising
- 16 - Newspaper
- 17 - Magazine
- 18 - Radio
- 19 - Internet
- 20 - Other media
- 21 - Prizes and other expenses in holding contests or exhibitions
- 22 - Contributions to various organizations for advertising purposes
- 23 - Cost of displays, posters, etc. to attract customers
- 24 - Publicity - generally speaking, all costs including entertainment, music, etc.
- 25 - Holiday presents to customers or prospects - de minimis rule
- 26 Alterations to business property, if minor
- 27 Amortization
- 28 Attorney's fees and other legal expenses involving
- 29 - Tax strategy
- 30 - Drafting of agreements, resolutions, minutes, etc.
- 31 - Defense of claims against the business
- 32 - Collection actions taken against others
- 33 - Any other business-related legal activity
- 34 Auto expenses for business purposes, such as:
- 35 - Damage to auto not covered by insurance
- 36 - Gasoline
- 37 - Oil
- 38 - Repairs & Maintenance
- 39 - Washing and waxing
- 40 - Garage rent
- 41 - Interest portion of payments
- 42 - Insurance premiums such as fire, theft, collision, liability, etc.
- 43 - Lease payment
- 44 - License plate

- 45 - Driver's license fee
- 46 - Depreciation
- 47 - Wages of chauffeur
- 48 - Section 179 deduction, for qualified vehicle
- 49 Bad debts - if previously taken into income
- 50 Baseball/softball/soccer team equipment for business publicity
- 51 Board and room to employee:
 - 52 - All meals and lodging if for employer's benefit
 - 53 - Temporary housing assignment
- 54 Board meetings
- 55 Bonuses as additional compensation to employees
- 56 Bookkeeping services
- 57 Building expenses, used for business, such as:
 - 58 - Repairs to building
 - 59 - Janitorial service
 - 60 - Painting
 - 61 - Interest on mortgage
 - 62 - Taxes on property
 - 63 - Water
 - 64 - Waste removal
 - 65 - Depreciation on building
 - 66 - Heating
 - 67 - Lighting
 - 68 - Landscaping
- 69 Burglary losses not covered by insurance
- 70 Business, cost of operating office
- 71 Business taxes - except federal income taxes
- 72 Cafeteria plan - requires a written plan
- 73 Capital asset sale - losses
- 74 Car and taxi fares
- 75 Casualty damages, such as:
 - 76 - Fire
 - 77 - Storm
 - 78 - Hurricane
 - 79 - Drought
 - 80 - Forest fire
 - 81 - Freezing of property
 - 82 - Impairment or collapse of property
 - 83 - Ice
 - 84 - Heat
 - 85 - Wind
 - 86 - Rain
- 87 Charitable contributions
- 88 Checking account bank charges
- 89 Child care - requires a written plan
- 90 Children's salaries

- 91 Christmas presents to employees, customers, and prospects for advertising or publicity purposes, or goodwill, or if customary in the trade
- 92 Collection expenses including attorney's charges
- 93 Commissions on sales of securities by dealers in securities
- 94 Commissions paid to agents
- 95 Commissions paid to employees for business purposes
- 96 Commissions paid to salesmen
- 97 Condemnation expenses
- 98 Contributions (deductible if made to organizations founded for the following purposes, subject to some limitations):
 - 99 - Religious
 - 100 - Charitable
 - 101 - Scientific
 - 102 - Literary
 - 103 - Educational
 - 104 - Prevention of cruelty to children and animals
- 105 Convention expenses, cost of attending conventions
- 106 Cost of Goods
- 107 Credit report costs
- 108 Day care facility
- 109 Depletion
- 110 Depreciation
- 111 Discounts allowed to customers
- 112 Dues paid to:
 - 113 - Better Business Bureau
 - 114 - Chamber of commerce
 - 115 - Trade associations
 - 116 - Professional societies
 - 117 - Technical societies
 - 118 - Protective services association
- 119 Education assistance - requires written plan
- 120 Embezzlement loss not covered by insurance
- 121 Employee functions, such as:
 - 122 - Dances
 - 123 - Entertainment
 - 124 - Outings
 - 125 - Christmas parties
 - 126 - Shows or plays
- 127 Endorser's loss
- 128 Entertainment expenses
- 129 Equipment, minor replacements
- 130 Equipment purchases - may require capitalization and depreciation
- 131 Equipment repairs
- 132 Exhibits and displays, to publicize your products
- 133 Expenses of any kind directly chargeable to business income, such as:
 - 134 - Renting of storage space
 - 135 - Safe deposit boxes

- 136 - Upkeep of property
- 137 - Books to record income and expenses or investment income
- 138 Experimental and research expenses
- 139 Factoring
- 140 Fan mail expenses
- 141 Fees for passports necessary while traveling on business
- 142 Fees to accountants
- 143 Fees to agents
- 144 Fees to brokers
- 145 Fees to investment counsel
- 146 Fees to professionals for services rendered
- 147 Fees to technicians
- 148 Fire loss
- 149 Forfeited stock
- 150 Freight charges
- 151 Gifts to customers - limit \$25
- 152 Gifts to organized institutions, such as:
 - 153 - Charitable
 - 154 - Literary
 - 155 - Educational
 - 156 - Religious
 - 157 - Scientific
- 158 Group term insurance on employees' lives
- 159 Guarantor's loss
- 160 Health insurance
- 161 Heating expense
- 162 Hospitals, contributions to
- 163 Improvements, provided they are minor
- 164 Insurance premiums paid
- 165 Interest on loans of all kinds for business purposes, such as:
 - 166 - On loans
 - 167 - On notes
 - 168 - On mortgages
 - 169 - On bonds
 - 170 - On tax deficiencies
 - 171 - On installment payments of auto, furniture, etc.
 - 172 - On margin account with brokers
 - 173 - Bank discount on note is deductible as interest
- 174 Inventory loss due to damages
- 175 Investment counsel fees
- 176 Lawsuit expenses
- 177 Legal costs
 - 178 - In defense of your business
 - 179 - In settlement of cases
 - 180 - Payment of damages
- 181 License fees
- 182 Lighting

- 183 Living quarter furnished employees for business's benefit
- 184 Lobbying costs
- 185 Losses, deductible if connected with your business or profession, such as:
 - 186 - Abandoned property
 - 187 - Accounts receivable
 - 188 - Auto damage caused by fire, theft, heat, storm, etc.
 - 189 - Bad Debts
 - 190 - Bank closed
 - 191 - Bonds
 - 192 - Buildings - damaged
 - 193 - Burglary
 - 194 - Business ventures
 - 195 - Capital assets
 - 196 - Casualties: fire, theft, heat, storm, etc.
 - 197 - Damages to property or assets
 - 198 - Deposit forfeiture, on purchase of property
 - 199 - Drought
 - 200 - Embezzlements
 - 201 - Equipment abandoned
 - 202 - Forced sale or exchange
 - 203 - Foreclosures
 - 204 - Forfeitures
 - 205 - Freezing
 - 206 - Goodwill
 - 207 - Loans not collectible
 - 208 - Theft
 - 209 - Transactions entered into for profits
- 210 Maintenance of business property
- 211 Maintenance of office, store, warehouse, showroom, etc.
- 212 Maintenance of rented premises
- 213 Management costs
- 214 Materials
- 215 Meals, subject to limitation
- 216 Membership dues
- 217 Merchandise
- 218 Messenger service
- 219 Moving cost
- 220 Musician expenses
- 221 Net operating loss - may be carried back to previous years' income for refund and/or forward against future years' income
- 222 Newspapers
- 223 Office expenses, including:
 - 224 - Wages
 - 225 - Supplies
 - 226 - Towel service
 - 227 - Heating and lighting
 - 228 - Telephone and telegraph

- 229 - Repairs
- 230 - Refurnishing, minor items
- 231 - Decorating
- 232 - Painting
- 233 Office rent
- 234 Office rent - portion of home used for business
- 235 Office stationery and supplies
- 236 Passport fees
- 237 Pension plans - must be properly drawn
- 238 Periodicals
- 239 Physical fitness center
- 240 Plotting of land for sale
- 241 Postage
- 242 Professional society dues
- 243 Property depreciation
- 244 Property maintenance
- 245 Property repairs
- 246 Publicity expenses
- 247 Real estate expenses of rental or investment property, including:
 - 248 - Taxes on property
 - 249 - Insurance
 - 250 - Janitorial service
 - 251 - Repairing
 - 252 - Redecorating
 - 253 - Painting
 - 254 - Depreciation
 - 255 - Supplies
 - 256 - Tools
 - 257 - Legal expenses involving leases, tenants, or property
 - 258 - Bookkeeping
 - 259 - Property management
 - 260 - Utilities
 - 261 - Commissions to secure tenants
 - 262 - Maintenance - heating, lighting, etc.
 - 263 - Advertising for tenants
 - 264 - Cost of manager's unit, if on site and at employer's convenience
- 265 Rebates on sales
- 266 Refunds on sales
- 267 Rent settlement - cancel lease
- 268 Rental property expense, such as:
 - 269 - Advertising of vacant premises
 - 270 - Commissions to secure tenants
 - 271 - Billboards and signs
- 272 Rent collection expense
- 273 Rents paid, such as:
 - 274 - Business property
 - 275 - Parking facilities

- 276 - Safe deposit boxes
- 277 - Taxes paid by tenant for landlord
- 278 - Warehouse and storage charges
- 279 Repairing of business property, such as:
 - 280 - Alterations, provided they are not capital additions
 - 281 - Casualty damages, replaced, provided they are not capital additions
 - 282 - Cleaning
 - 283 - Minor improvements
 - 284 - Painting
 - 285 - Redecorating
 - 286 - Repairing of furniture, fixtures, equipment, machinery, and buildings
 - 287 - Roof repairs
- 288 Royalties
- 289 Safe deposit box rental
- 290 Safe or storage rental
- 291 Salaries (including bonuses, commissions, pensions, management fees)
- 292 Sample room
- 293 Selling expenses, such as:
 - 294 - Commissions and bonuses as prizes
 - 295 - Discounts
 - 296 - Entertainment
 - 297 - Prizes offered in contests
 - 298 - Publicity and promotion costs
 - 299 - Rebates
- 300 Services, professional or other necessary for conducting business
- 301 Social Security taxes paid by employers
- 302 Stationary and all other office supplies used
- 303 Subscriptions to all trade, business, or professional periodicals
- 304 Supplies, office or laboratory
- 305 Taxes, all taxes paid except federal income taxes, such as:
 - 306 - City gross receipts tax
 - 307 - City sales tax
 - 308 - State gross receipts tax
 - 309 - State sales tax
 - 310 - State unemployment insurance tax
 - 311 - Federal Social Security tax
 - 312 - State income tax
 - 313 - State unincorporated business tax
 - 314 - Real estate tax
 - 315 - Tangible property tax
 - 316 - Intangible property tax
 - 317 - Custom, import, or tariff tax
 - 318 - License tax
 - 319 - Stamp taxes
 - 320 - Any business tax, as a rule
 - 321 - Auto registration tax
 - 322 - Safe deposit tax

- 323 - Membership dues tax
- 324 - Gasoline tax
- 325 - Admission tax
- 326 Telephone
- 327 Traveling expenses (includes: meals, taxi fare, rail fare, airfare, tips, telephone, laundry and cleaning, entertainment for business purposes)
- 328 Unemployment compensation taxes paid by employer
- 329 Uniforms furnished to employees
- 330 Wages
- 331 Workmen's compensation fund contributions