

Commonly Missed Business Tax Deductions

Many business taxpayers fail to deduct otherwise eligible business expenses or fail to fully deduct qualifying business expenses. As a result, millions of dollars are overpaid to the Internal Revenue Service every year. Below is a listing of commonly missed deductions or deductions that you may not be fully utilizing. You may wish to carefully examine your records to determine if you may be missing any of these deductions.

- **Home Office Deduction:** If you use part of your home as a home office, you may be entitled to deduct expenses related to the home office based on the percentage of square footage the home office occupies. Related expenses include mortgage interest, property taxes, utilities, and repairs, etc.
- **Meal Expenses:** Business meal expenses that you pay with your personal funds may qualify as a business deduction, subject to limitations.
- **Personal Assets Converted to Business Use:** If you have contributed personal assets, such as a computer, the fair market value of these assets qualify as a business deduction, subject to depreciation limitations, beginning with the date of conversion.
- **Self-Employed Health Insurance:** As a self-employed taxpayer, you may deduct 100 percent of health insurance premiums for you, your spouse and your children. The deduction may also include eligible long-term care premiums for a long-term care insurance contract.
- **Communications Expenses:** Expenses related to the business use of your personal telephones, cellular phones, and internet connections may be deducted.
- **Automobile Expenses:** Mileage and other related automobile expenses may be deducted when your personal vehicle is used for business purposes.

Please consult your tax advisor for how these rules may impact you specifically. Your individual circumstances may require further analysis or consideration of how these rules interact with other elements of your overall tax situation.