

Business Use of Home Worksheet

Caution: Schedule C filers must use Form 8829 (Expenses for Business Use of Your Home) or claim the deduction computed under the simplified method on Schedule C, line 30. Use this worksheet if Schedule F is filed or if the individual is a partner (result to Schedule E). For daycare facilities not used exclusively for business, see Form 8829.

Part 1—Part of Home Used for Business:

- 1) Area of home used for business..... 1) _____
- 2) Total area of home..... 2) _____
- 3) Percentage of home used for business (divide line 1 by line 2 and show result as percentage)..... 3) _____ %

Part 2—Allowable Deductions:

- | | (a)
Direct Expenses | (b)
Indirect Expenses | |
|--|------------------------|--------------------------|-----------|
| 4) Gross income from business..... | | | 4) _____ |
| 5) Casualty loss..... | 5) _____ | _____ | |
| 6) Deductible mortgage interest..... | 6) _____ | _____ | |
| 7) Real estate taxes..... | 7) _____ | _____ | |
| 8) Total of lines 5 through 7..... | 8) _____ | _____ | |
| 9) Multiply column (b) of line 8 by line 3..... | | 9) _____ | |
| 10) Add column (a) of line 8 and line 9..... | | 10) _____ | |
| 11) Business expenses not related to business use of home..... | | 11) _____ | |
| 12) Add lines 10 and 11..... | | | 12) _____ |
| 13) Deduction limit. Subtract line 12 from line 4 (if zero or less, enter -0-)..... | | | 13) _____ |
| 14) Excess mortgage interest..... | 14) _____ | _____ | |
| 15) Excess real estate taxes..... | 15) _____ | _____ | |
| 16) Insurance..... | 16) _____ | _____ | |
| 17) Rent..... | 17) _____ | _____ | |
| 18) Repairs and maintenance..... | 18) _____ | _____ | |
| 19) Utilities..... | 19) _____ | _____ | |
| 20) Other expenses related to use of home..... | 20) _____ | _____ | |
| 21) Add lines 14 through 20..... | 21) _____ | _____ | |
| 22) Multiply column (b) of line 21 by line 3..... | | 22) _____ | |
| 23) Carryover of operating expenses from prior year..... | | 23) _____ | |
| 24) Add column (a) of line 21, line 22 and line 23..... | | | 24) _____ |
| 25) Allowable operating expenses. Enter the <i>smaller</i> of line 13 or line 24..... | | | 25) _____ |
| 26) Limit on excess casualty losses and depreciation. Subtract line 25 from line 13..... | | | 26) _____ |
| 27) Excess casualty losses..... | 27) _____ | _____ | |
| 28) Depreciation of home from line 40 below..... | 28) _____ | _____ | |
| 29) Carryover of excess casualty losses and depreciation from prior year..... | 29) _____ | _____ | |
| 30) Add lines 27 through 29..... | | | 30) _____ |
| 31) Allowable excess casualty losses and depreciation. Enter the <i>smaller</i> of line 26 or line 30..... | | | 31) _____ |
| 32) Add lines 10, 25, and 31..... | | | 32) _____ |
| 33) Casualty losses included on lines 10 and 31..... | | | 33) _____ |
| 34) Allowable expenses for business use of home. (Subtract line 33 from line 32.)..... | | | 34) _____ |

Part 3—Depreciation of Home:

- 35) Smaller of adjusted basis or fair market value of home when first used for business..... 35) _____
- 36) Basis of land (or FMV, if FMV of home used on line 35)..... 36) _____
- 37) Depreciable basis of building (subtract line 36 from line 35)..... 37) _____
- 38) Business basis of building (multiply line 37 by line 3)..... 38) _____
- 39) MACRS depreciation percentage..... 39) _____
- 40) Depreciation allowable (multiply line 38 by line 39)..... 40) _____

Part 4—Carryover of Unallowed Expenses to Next Year:

- 41) Operating expenses. Subtract line 25 from line 24. If less than zero, enter -0-..... 41) _____
- 42) Excess casualty losses and depreciation. Subtract line 31 from line 30. If less than zero, enter -0-..... 42) _____