**6 TAX WRITE-OFFS FOR INDEPENDENT CONTRACTORS**

1. **ORDINARY & NECESSARY.**

Any business expense that is both ordinary, meaning common & accepted in your trade or business, & necessary, meaning helpful & appropriate for your business can be written off.

Keep Track of:

* Receipts
* Bank & Credit Card Statements
* Business Purpose

1. **VEHICLE.**

You can’t write-off the full cost of your car when purchased but you can write-off **56¢** per business related mile that you drive from your main work location

Keep Track of:

* Dates of Trip
* Business Purpose
* Destination
* Odometer Readings
* Total Miles Per Trip

1. **TRAVEL.**

All travel costs away from your “tax home” incurred on business work days can be written-off. A business work day could be a full day of work, attending a meeting, a day you were prevented from working or weekends & holidays in between work days

Keep Track of:

* Receipts
* Travel & Business Work Dates
* Business Purpose

1. **MEALS & ENTERTAINMENT.**

Only meals & entertainment who’s main purpose was to conduct business can be written-off.

Keep Track of:

* Receipts
* Who Attended
* Business Purpose
* How It Qualifies

1. **HOME OFFICE.**

You can write-off a home office if you use the space regularly as a main place of business & ONLY for business purpose. So no bringing Netflix at your desk!

Simplified Method:

* Deduct $5 per sq. ft.

1. **COMPUTER & PHONE.**

You can write-off the cost for your computer over 5 yrs through a process called depreciation. You can only write-off the business use percentage. Cellphones can be written-off over 7-10 yrs. Based on the business use percentage

Keep track of:

* Receipts & Cost
* Business & Personal Use
* Depreciation Take Each Year