This document is referenced in an endnote at the Bradford Tax Institute. CLICK HERE to go to the home page.

## **SCHEDULE C** (Form 1040)

## Profit or Loss From Business (Sole Proprietorship)

► Go to www.irs.gov/ScheduleC for instructions and the latest information.

OMB No. 1545-0074 Attachment Sequence No. 09

Department of the Treasury

Internal Revenue Service (99) ► Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor					Social	Social security number (SSN)	
A	Principal business or profession, including product or service (see instructions)				B Ente	B Enter code from instructions	
С	Business name. If no separate business name, leave blank.				D Emp	loyer ID number (EIN) (see instr.)	
E	Business address (including s	suite or room no.) ►				·	
	City, town or post office, state						
F		Cash (2) Accrual	(3)	Other (specify) ►			
G	Did you "materially participate" in the operation of this business during 2020? If "No," see instructions for limit on losses . Yes No.						
Н							
	Did you make any payments in	in 2020 that would require you	to file Forr	m(s) 1099? See instructions		🗌 Yes 🔲 No	
J	If "Yes," did you or will you file	e required Form(s) 1099?				🗌 Yes 🔲 No	
Part	Income						
1	•			f this income was reported to you or d ▶ □	1		
2	Returns and allowances				. 2		
3	Subtract line 2 from line 1 .				. 3		
4	Cost of goods sold (from line	42)			. 4		
5	Gross profit. Subtract line 4	from line 3			. 5		
6		•		refund (see instructions)			
7				<u> </u>	7		
Part		enses for business use of	your hor			I	
8	Advertising	8	18	Office expense (see instructions)	18		
9	Car and truck expenses (see		19	Pension and profit-sharing plans	. 19		
	instructions)	9	20	Rent or lease (see instructions):			
10	Commissions and fees .	10	а	Vehicles, machinery, and equipmen			
11	Contract labor (see instructions)	11	b	,			
12	Depletion	12	21	Repairs and maintenance			
13	expense deduction (not		22	Supplies (not included in Part III)			
	included in Part III) (see		23	Taxes and licenses	. 23		
	instructions)	13	24	Travel and meals:			
14	Employee benefit programs		а	Travel	. 24a		
4-	(other than on line 19)	14	— Ь	Deductible meals (see	041		
15	Insurance (other than health)	15		instructions)			
16	Interest (see instructions):	40-	25	Utilities			
a b	Mortgage (paid to banks, etc.) Other	16a 16b	26 27a	Wages (less employment credits) Other expenses (from line 48).	. 26 . 27a		
17	Legal and professional services	17		Reserved for future use			
28	Total expenses before expenses for business use of home. Add lines 8 through 27a						
29	Tentative profit or (loss). Subtract line 28 from line 7						
30	. , ,				29		
	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions.				<b>'</b>		
	Simplified method filers only: Enter the total square footage of (a) your home:						
	and (b) the part of your home used for business:  . Use the Simplified				-		
	Method Worksheet in the instructions to figure the amount to enter on line 30				. 30		
31	Net profit or (loss). Subtract line 30 from line 29.						
	If a profit, enter on both Schedule 1 (Form 1040), line 3, and on Schedule SE, line 2. (If you						
	checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3.</b>				31		
	• If a loss, you <b>must</b> go to line 32.					•	
32	-	box that describes your investn	ment in this	s activity. See instructions.			
	If you checked 32a, enter to the state of the state	the loss on both Schedule 1 (	(Form 104	10), line 3, and on Schedule			
	SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3.				32a 32b	Some investment is not	
	If you checked 32b, you <b>must</b> attach <b>Form 6198.</b> Your loss may be limited.					at risk.	

Schedule C (Form 1040) 2020 Page 2 Part III Cost of Goods Sold (see instructions) 33 Method(s) used to value closing inventory: a Cost **b** Lower of cost or market **c** Other (attach explanation) 34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? ☐ Yes ☐ No If "Yes," attach explanation . . 35 35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation . . . 36 Purchases less cost of items withdrawn for personal use . . . 36 37 Cost of labor. Do not include any amounts paid to yourself . . . 37 38 Materials and supplies 38 39 39 Add lines 35 through 39 . . . . . . . . 40 40 41 Inventory at end of year . . . . . . . . . . 41 42 Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4. Part IV Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562. 43 When did you place your vehicle in service for business purposes? (month/day/year) **>** / / Of the total number of miles you drove your vehicle during 2020, enter the number of miles you used your vehicle for: 44 **b** Commuting (see instructions) а 45 Was your vehicle available for personal use during off-duty hours? . . . ☐ No No 46 ☐ No If "Yes," is the evidence written? ☐ No Other Expenses. List below business expenses not included on lines 8-26 or line 30. Part V

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Total other expenses. Enter here and on line 27a . . . . . .

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