

MILEAGE WORKSHEET

NAME _____

2023

In order to take actual or the standard mileage rate you **MUST** keep a mileage log. **Please bring your log with you to your appointment in case there is a question. The IRS will require the written proof if ever audited.** If you will be deducting any expenses of operating an automobile or light truck in connection with your **BUSINESS**, we will need:

NOTE: If you used more than one vehicle, we will need the same information for each vehicle.

An Explanation of Business Use: _____

The **YEAR & MAKE** of vehicle: _____

Date Purchased and the Total Original Cost: _____

SUBSTANTIATION REQUIREMENTS:

Was the vehicle available for personal use during off duty hours? [] YES [] NO

Do you or your spouse have another vehicle available for personal use? [] YES [] NO

Do you have sufficient evidence to justify the business miles? [] YES [] NO

If 'YES' can you provide or will you be able to provide a "written" vehicle log?
(If you answer "NO" to this question, we cannot use any business use mileage on your tax return.) [] YES [] NO

DISCLOSURE REQUIREMENTS: (See Rules On Back)

Your Odometer Reading on 1/1/2023 _____

Your Odometer Reading on 12/31/2023 _____

Your TOTAL MILES on this vehicle during 2023 _____

Your TOTAL **Business** Miles on this vehicle _____

Your Total **Commuting** Miles (to and from job locations) on this vehicle _____

Your Total **"Other/Personal"** Miles on this Vehicle _____

Your cost of **Business** Tolls & Parking Expenses in 2023 \$ _____

For **"Self-Employment Only"**, The amount of interest paid on any loan secured by this vehicle in 2023 \$ _____

I hereby certify that I have the required evidence (preferably a written log book) to substantiate the business use or mileage claimed. Accurate Tax has explained all of the recordkeeping requirements for vehicle expenses claimed and also the consequences for failing to keep such records including full or partial disallowance of the expenses which will result in additional taxes, interest and penalties.

Signature _____

Date _____

UNDERSTANDING THE RULES OF VEHICLE & TRUCK EXPENSES

If you use your vehicle for business purposes, you may be able to deduct vehicle expenses. You generally can use one of two methods to figure your vehicle expenses - ACTUAL or the STANDARD MILEAGE RATE.

Whether you use actual or the standard mileage rate, you must keep records to show when you started using your vehicle for business along with your cost or other basis of your vehicle. Your records must also show the **BUSINESS** miles and the **TOTAL** miles you drove your vehicle during the year. **Your mileage log should indicate where you went, who you saw and your business purpose along with the number of miles traveled.** If you use your vehicle for both business and personal purposes, your expenses will be divided between business and personal use.

If you are self employed and have an office-in-the-home, you are allowed to take the mileage from your home for any business miles. If you do not have an office-in-the-home, you cannot take the mileage from your home to the first stop or from your last stop to home. These are considered commuting miles and are not deductible.

Hauling tools or instruments in your vehicle while commuting to and from work DOES NOT make your commuting costs deductible. The use of your vehicle to display material that advertises your business DOES NOT change the use to business, nor does making business calls on your vehicle phone while commuting to work. Fines for traffic violations are also not deductible.

If you are leasing a vehicle that you use in your business and use actual expenses, you can deduct the part of the lease payment that is for the business use of the vehicle. You cannot deduct any payments you make to “buy” a vehicle even if they are called lease payments. You can also choose the standard mileage rate for leased vehicles instead of actual expenses.

If you deduct **ACTUAL EXPENSES**, you must keep records of the operation costs of the vehicle as well as your mileage. Interest on vehicle loans are deductible as a self-employed individual. This interest is only deductible up to the percentage of business use of that vehicle if you have personal use also. Whether choosing to deduct mileage or actual expenses you are depreciating your vehicle. Depreciation reduces your cost of the vehicle. When you sell your vehicle, you will need to report the sale on your tax return. You may show a profit on the sale, causing a taxable event. By trading in your vehicle, the cost basis in your new vehicle will be reduced by the depreciation taken on the old vehicle. One rule the IRS never forgets—If you receive a benefit today, you will pay for it later.

The **STANDARD MILEAGE RATE** is the most used method. This option requires less paperwork and recordkeeping than the actual method. If you want to use the standard mileage rate, you must choose to use it in the first year that you place your vehicle in service. The standard rate assumes that all your vehicle expenses are included in the rate allowed. Included in this rate is also an allowance for depreciation (currently 28 cents per mile for 2023). In addition to the standard rate, a self employed individual can deduct any business-related parking fees and tolls. You are also allowed a percent of interest paid on your loan.

IF YOU ARE USING ACTUAL EXPENSES

If you think that **ACTUAL EXPENSES** may give you a larger deduction, **or for any vehicles that are “REQUIRED” to use actual expenses**, please provide a separate sheet a paper with all of your actual expenses such as: Gasoline, Insurance, Licenses, Oil Changes, Repairs, etc.

DON'T FORGET TO SIGN THE CERTIFICATION ON THE OTHER SIDE OF THIS WORKSHEET