

## Business Auto Deduction Worksheet

<b>Client Name</b>		<b>Tax Year</b>	
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**General.** If you use your personally owned vehicle in the pursuit of a trade or business, you are allowed to deduct the ordinary and necessary expenses while operating your vehicle. However, any expenses associated with the personal use of the vehicle are not deductible.

**Personal vs. Business Miles.** Business use of your car can include traveling from one work location to another work location within your tax home area, visiting customers; attending a business meeting away from the regular workplace; and traveling from home to a temporary workplace if you have more regular places of work. The costs of travel between home and a regular place of work, however, are nondeductible commuting expenses.

**Standard Mileage Rate vs Actual Cost Method.** You may calculate your auto deduction using either the actual costs of operating an automobile owned by you or the standard mileage rate using a standard mileage rate issued by the IRS. Regardless of the method used, if the vehicle is driven for personal as well as business purposes, only expenses or mileage attributable to the percentage of business use is deductible. In most cases, using the mileage rate as a deduction or reimbursement is preferred over actual expenses.

**Substantiation.** If you are using your car for business purposes, proper recording keeping is critical. If you use the standard mileage rate, you should keep a daily log showing the miles traveled, destination and business purpose. If you use the actual cost method, you should also keep a mileage log in order to establish business use percentage. In addition, you must keep receipts, invoices, and other documentation to verify expenses. Finally, you must be able to prove the original cost of the vehicle and the date it was placed in service for business use in order to claim depreciation.

Mileage Information	Vehicle #1
Year, Make & Model of Vehicle	
Start Date of Business Use	
End Date for Business Use	
Odometer on Jan 1 Or Start Date	
Odometer on Dec 31 <sup>st</sup> or End Date	
Personal Miles	
Commuting Miles	
Business Miles	

Vehicle #2

Mandatory IRS Due Diligence	Yes	No
Do you have another vehicle available for personal use?		
Do you have written evidence or a mileage log?		

Yes	No

### Disclosure

Your signature below indicates you have written evidence to support your deduction under the substantiation requirements outlined above.

<b>Taxpayer Signature</b>		<b>Date</b>	
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