

INCOME TAX PREPARATION FOR YOUR MARY KAY BUSINESS

Consult your current Mary Kay Tax Guide for detailed information.

1. INVENTORY OF ALL SECTION 1 WHOLESALE MERCHANDISE ON YOUR SHELF AS OF DEC. 31 \$ _____

Use your Consultant Order Sheet to record totals, add up the retail amount, then cut in half-for wholesale

2. STARTER KIT COST IF YOU ARE A NEW CONSULTANT DURING THE YEAR..... \$ _____

3. ALL RETAIL SALES INCOME from classes, facials and reorders..... \$ _____

4. PROFIT ON THE SALES ABOVE (to be simple 40% of the above figuring discounts/specials)
\$ _____

5. ALL OTHER INCOME: 4-13% checks, promotional prizes and other commissions of 1099 form from the Company,
bank interest and dovetail commissions.....
\$ _____

6. **BUSINESS EXPENSES:**

- Product Given (Cost Section 1 only) \$ _____
- Section 2 purchases \$ _____
- Shipping on orders..... \$ _____
- Any other non collected sales tax \$ _____
- Dues and Publications..... \$ _____
- Supplies..... \$ _____
- MK Connections Printing purchases \$ _____
- Items SECTION 1 used as Gifts (COST plus tx)..... \$ _____
- Items used for Personal Use COST plus tax..... \$ _____
- Items used for Demonstration Purposes at Cost + tax..... \$ _____
- Cash Refunds made \$ _____
- Bad Debt (money not collected on product sold)..... \$ _____
- Meeting Expenses and Local Training..... \$ _____
- Laundry for dry cleaning of business attire..... \$ _____
- Bank Service (money orders, cashiers checks, VISA/Mastercard fees)..... \$ _____
- Interest paid on business loans or VISA/Mastercard for inventory/expenses \$ _____
- Advertising and Preferred Customer Program Enrollment and Premiums... \$ _____
- Postage \$ _____
- Child Care or Secretary for business..... \$ _____
- Career Conference, Seminar,Retreat..... \$ _____
- Travel Expense:
 - Plane & Public Transit and Taxi..... \$ _____
 - Lodging..... \$ _____
 - Meals when out of town..... \$ _____
- Internet (if home only deduct 50-60%) \$ _____
- Personal Website Mary Kay \$ _____
- Cell phone (deduct 50-80% depending)..... \$ _____
- Cost Red Jacket & professional clothes(business only)..... \$ _____
- Obsolete Products (discontinued as of 12/31 at Cost...+tx..... \$ _____
- Printing..... \$ _____
- Accountant Fees..... \$ _____
- Recruiting Exp (cost of coffee/pie/lunch etc)..... \$ _____
- Cello Bags/Packaging/Wrapping..... \$ _____
- Charity Donations..... \$ _____
- Product Insurance..... \$ _____
- Equipment (computer, Printer,Digital camera,DVD player)..... \$ _____
- Miscellaneous Expenses \$ _____
- Tolls and Parking \$ _____

Total Business Miles Driven..... _____

Inventory Tie Out:

- Total Section 1 Purchases from Mary Kay: _____
- Less product sold _____
- Less gifts and demo and personal use _____
- Less Discontinued items (write off) _____
- = Balance of inventory at 12/31 _____

Home Office: See Director if taking this deduction (not recommended unless earning car/future directors)