



2407 Georgetown Rd NW
Cleveland, TN 37311
(423)86-TAXES (868-2937)

WWW.CBSTN.NET

Schedule C Expense Category Examples and Explanations

1099 Subcontracted Labor: This would be the total dollar amount you have paid to people who provide you labor but are not employees. Anyone paid more than \$600 should have received a 1099-NEC from you.

Job Supplies & Materials: This includes supplies and materials required for you to complete your good or service sold. Commonly referred to as Cost of Good Sold or Cost of Service Sold. Do not include general operating supplies such as office supplies and cleaning supplies, etc. here.

Advertising Expenses: This would be the total spent on things like Google ads, radio ads, tv ads, logo and promotional items to give away, local school team sponsorships, etc.

Bank Fees: Includes your cc payment processing, merchant account fees, Square fees, bank monthly fees, NSF fees, ATM fees, document fees, and any other fees that are charged by any financial institutions.

CC Interest: This would be credit card interest only

Loans and Notes Interest: This would be the interest from any loans or financing of business assets

Business Insurance: This would be worker's comp insurance, business liability, general liability, etc. Auto or health insurance would not need to be included in this figure

Dues & Subscriptions: Any memberships to chambers, clubs, or groups. Any software subscriptions. Any regularly billed subscriptions.

Shipping & Postage: Any amounts paid to USPS, UPS, FedEx, or any other carrier for shipping and postage charges

Legal Fees: Paid to any attorney or firm for legal services rendered; including retainers. Any legal document processing fees.

Tax & Accounting fees: Paid for any tax filings, business services, bookkeeping services, or accounting services

Office & Clerical Supplies: This would be general operating expenses. Paper, pens, and envelopes. Also include any small tools and equipment that would be regularly used such as a screwdriver, staples, scissors, pair of gloves, etc.

Property/Store/Office Rents Paid: Includes amounts paid for an office, storefront, storage, or any other physical location/building

Equipment Rentals: Includes amounts paid for renting any equipment or property that doesn't have a physical address attached to it.





2407 Georgetown Rd NW
Cleveland, TN 37311
(423)86-TAXES (868-2937)

WWW.CBSTN.NET

Category Examples and Explanations

Building Repairs & Maintenance: Amounts paid for light bulbs, paint, carpet cleaning, pest control, lawn care, etc. for general upkeep and repair of your physical location.

Equipment Repairs & Maintenance: Amounts paid for repairs to general equipment that doesn't have a physical address attached to it

State Taxes Paid: This would be your TN Annual Report, TN Business Tax, TN Franchise & Excise tax, and any personal property taxes

Travel Expenses: Amounts paid for lodging, airfare, tolls, rental vehicles while traveling, etc. The amount reported here would need to be 100% business. If a trip was 50/50 personal and business, only report the 50 that is business.

Meals Expenses: You must have the receipt. You must list who all ate the meal and what business was discussed in order to make it a business expense. Alternatively, if it was a business meal due to you traveling for work, then it would be a business expense that you must still have the receipt for. Enter 100% of your meal expense. 50% of that is allowed unless you are regulated by DOT. In which case, 80% is deductible.

Utilities Expenses: Are explained by category. Any utilities expenses need to be for your physical business location or for your business operations. If your phone bill is 50% business/50% personal, report 50% of your bill. Please do not include any home utilities or expenses in this category.

Payroll Wages and Tax Expenses: This is for W-2 payroll that has been processed. It does NOT include the business owner/taxpayer income.

