## SASS ACCOUNTING

Joetta Jatczak EA, Managing Member 221 E. Green Bay Avenue - Saukville, WI 53080

Phone: (262) 235-4250 Fax: (262) 235-4249 Email: <u>Joetta@sassaccounting.com</u>

## **INCOME TAX SUMMARY FOR MARY KAY BUSINESS**

<b>A)</b> I	IN	COME:
1	l)	Total of all sales, i.e. actual cash received excluding sales tax
2	2)	Subract any money refunded to customers
3	3)	Total of all other income including company commissions, prizes, etc. Included on Form 1099
-		OST OF GOODS SOLD (Section I only): Inventory from Dec. 31st last year (WHOLESALE, EXCLUDE SALES TAX), (not applicable to first year consultants)
2	2)	Product Purchases - Section I and Daily Benefits (WHOLESALE, EXCLUDE SALES TAX)
3	3)	Wholesale cost of products used personally
4	1)	Inventory from Dec. 31st this year (WHOLESALE, EXCLUDE SALES TAX). Use copy of "Consultants Order Sheet" to count inventory, then multiply by discounted value, i.e. 50% to arrive at your cost
C)	E)	KPENSES:
1	1)	Advertising, enrollment, newsletter
2	2)	Preferred Customer Program Premiums
3	3)	Automobile Expenses (actual expenses only apply if career car):
		Gas
		Parking fees
		Insurance.
		Lease Payments
		Maintenance
		Repairs
		Washes
		Other
		Total Mary Kay miles driven during year
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4	1)	Subscriptions and dues
5	5)	Leadership, workshop, & Career Conference fees
6	5)	Seminar Costs

7)	Unit Meeting Fees
8)	Purchases of business equipment, i.e., computer, copy machine, telephone, fax, etc
9)	Purchases of business furniture, i.e., desk, chairs, file cabinet, etc
10)	Product insurance
11)	Interest - business & car loans, charge accounts
12)	Legal and professional
13)	Tax preparation
14)	Office supplies
15)	Printing
16)	Postage & shipping to clients
17)	Clothing i.e., Beauty Coat, etc
18)	Meeting room and other rentals
19)	Repairs and maintenance of business equipment
20)	Mary Kay supplies - Section II (INCLUDING SALES TAX), Beauty Case and other sales aides
21)	Uncollected sales tax on Section I product, i.e. discounts, promo, demo, personal use, etc
22)	Travel expenses, i.e., plane, public transit, taxi, lodging, parking, car rental, tips, laundry, meals
23)	Meals and entertainment (local)
24)	Bank service charges & annual business credit card fees
25)	Credit Card (pro pay) Processing Fees
26)	Freight paid on order forms to Mary Kay
27)	Promotional prizes excluding products from inventory
28)	Child Care
29)	Telephone - include long distance, call waiting, voice mail, cellular phone, 2nd line, 2nd phone, etc. (do not include base cost)

30)	Other - (describe)
31)	Other - (describe)
32)	Other - (describe)
D) OI	FFICE - IN - HOME (Note - only deductible if profit is made, otherwise it is carried forward):
1)	Rent
2)	Mortgage interest
3)	Real estate taxes
4)	Insurance
5)	Utilities
6)	Trash Removal
7)	Yard maintenance
8)	Repairs to home - include cleaning
9)	Repairs to office area
10)	Total area of home in square feet
11)	Area of home used exclusively for business plus area for inventory storage
12)	Months you have been in your Mary Kay Business this year
13)	Cost of your home - including improvements
14)	The year you purchased your home or rented

## E) GET SMART ABOUT TAXES:

- Start today keeping good records!
   Keep a small datebook on the seat of your car to record all Mary Kay trips!
- 2) Get receipts for every Mary Kay expenditure lunches, parking, purchases, everything!
- 3) Keep good records of product used for hostess credit, demonstration, sold at discount, personal use, and money not collected on product sold. Prepare sales slips for all product taken out of inventory.
- 4) Because Mary Kay is a unique business, make sure your tax preparer understands Mary Kay.