Self-Employment Tax Organizer - SETO
Tax Year 2016

Introduction
The SETO is based on ***Schedule C, Profit or Loss from a Business or Service****.* Use this tool to record your income and expenses from your self-employment.

Eligibility
- Total annual household income of $55,000 or less.
- Sole proprietors, independent contractors, and single member LLC's only.
- We do **not** prepare returns for corporations, partnerships, businesses with employees, taxi drivers, clergy, day traders or returns with income from rental property.

Tax Documents
Organize your income and expense documents from last year. Examples:
- Tax documents to bring to your appointment: Form 1099-MISC, W-2, and last year's tax return. Do not list income from W-2's on the organizer. This income is listed elsewhere on Form 1040.
- Supporting documentation you do not need to bring to your appointment: Invoices, receipts, bank or credit card statements, and mileage logs.

> **TIP**: See our website at www.prepareandprosper.org , for tools such as a mileage logs, income and expense worksheets, tips on making estimated tax payments, a cheat sheet for filling out the organizer and an online presentation on filling out the SETO. Check out irs.gov for useful tools and videos. Key words: small biz and irsvideos.gov.

Fill out the form
- Use your documents to fill out the organizer with only your self-employment income and expenses. Tax preparers will use the organizer to input the amounts onto the tax return. The organizer has different sections and not all apply to your business. Also, do not round off; use an exact amount.
- If you don't find a category for an expense feel free to write it in the "other" category.
- The sections are basic information, income, general expenses, other expenses, vehicle information, major purchases, business use of the home, and products sold by seller (inventory).

What to bring to your tax appointment
- The organizer **must be completed before** your tax appointment. We cannot prepare your tax return without this completed form.
- Photo ID for taxpayer and/or spouse.
- Social Security card or Individual Taxpayer Identification Number (ITIN) card/letter for all persons listed on the return.
- Birth dates for all persons listed on the return.
- Income statements or forms: W-2, 1099s, and any other tax document.
- Copy of last year's return – this is important for self-employed taxpayers as it may have needed information about business use of the home, equipment purchases, and more.
- Both spouses must be present for a joint return.
- For direct deposit – routing and account information (bring a blank or voided check).
- For a complete list of what to bring go to our website, www.prepareandprosper.org.

> **TIP**: If your prior year tax return shows the names and Social Security numbers of **all** persons to be listed on the current year's tax return; this can be used instead of the Social Security cards. Of course, you need to bring that return to your appointment. We also accept photographic or digital images of the cards.

Note: We must have proof of your Social Security number (and everyone else on the return) by way of a Soc. Sec. card, a photo of it, a previous year tax return, or a document from the IRS or Soc. Sec. Administration.

Contact information

Self-Employment Hotline
651-262-2169

Thomas Larson
Self-Employment Manager
thomas@prepareandprosper.org
651.262.2159

Note: Our tax preparation services are in the lower level of the Court West Building. The parking lot is located diagonally across the street from the building. Use access code **4321#** to enter the lot.

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BASIC INFORMATION

Business name: ____________________
(If no separate business name, leave blank)

Business address, city, state, zip: ____________________

Business or profession: ____________________

Business telephone: ____________________

Business start date (1st day): ____________________

INCOME

Forms 1099 including 1099-MISC and 1099-K	$
Total cash, checks, and credit card payments (to you)	$
Other income – prizes, incentives or awards	$
Total Gross Income	$

TIP: Keep separate business accounts (checking or credit) to simplify your finances and your deposits into these accounts should match, or come close to, your total gross income.

ESTIMATED TAX PAYMENTS

Did you pay estimated tax payments to the IRS or Minnesota Department of Revenue in 2016?	Yes		No	
If yes, how much?	IRS	$	MDOR	$

EXPENSES

Advertising	$	Legal & professional fees	$
Contract labor	$	Office supplies (paper, toner, etc.)	$
Commissions & fees	$	Rent of space or equipment	$
Health insurance premiums	$	Repairs & maintenance -equipment	$
Business liability insurance	$	Other supplies	$
Business licenses	$	Other interest –business loan or credit card	$
Sales tax paid to state	$	Business travel	$
Business meals	$	Utilities (not household)	$

TIP: Health insurance premiums in the name of the business or self-employed taxpayer, may be 100% deductible. If you received health insurance through MNsure, bring in form 1095-A.

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OTHER EXPENSES			
Professional education	$	Bank charges	$
Safety equipment or specialized clothing	$	Freight & Postage	$
Due or publications for professional organizations	$	Telephone – 2^{nd} line into home only	$
Parking and tolls	$	Cell phone annual charges	$
Other	$	Cell phone use percentage	%
Other	$	Cell phone amount for Sch. C	$

TIP: For expenses don't round off; use an exact amount.

VEHICLE INFORMATION
Month/day/year vehicle first used for business: / /
Mileage in 2016: business miles ___________ commuting miles_____________ personal miles____________
Interest paid on car loan: $
Was your 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 evidence to support your deduction? ☐ Yes ☐ No
If yes, is the evidence in writing? ☐ Yes ☐ No

TIP: Your first trip from home to a work site and last trip from a work site to your home, are considered **commuting miles** (unless you have an office in the home) and are not deductible business miles. **Business miles** are from one work site to another work site and are deductible

EXPENSES: MAJOR PURCHASES			
Item	Month/day/year of purchase	Cost	Business use percentage
	/ /	$	%
	/ /	$	%

TIP: If you had major purchases last year (or in previous years) and P + P did not prepare your return, it is especially important to bring in that return.

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EXPENSES: OFFICE IN THE HOME ***Space must be used exclusively for the business.***	
Area used for business or storage	square feet
Total area of house or apartment	square feet
Mortgage interest (homeowners)	$
Real estate taxes (homeowners)	$
Renter or homeowner insurance premiums	$
Rent	$
Repairs and maintenance	$
Utilities – gas and electric	$
Utilities - water, sewer, garbage	$
Homeowners only: A) What was the purchase price of the home? (Cost basis or FMV) B) What date was the home first placed into business?	A) $ B) / /

PRODUCTS SOLD BY DIRECT SELLER – COST OF GOODS SOLD	
1. Inventory at the beginning of the year	$
2. Product purchased during the year (less cost of products taken for personal use) List amount here of product taken for personal use $	$
3. Costs – materials and supplies	$
4. Cost of labor (not paid to self)	$
5. Add lines 1 through 4	$
6. Inventory at the end of the year	$
7. (For volunteer use) Cost of goods sold - subtract line 6 from line 5	$