Books by Kelly, LLC

2018 Daycare Worksheets

Depreciation of the Home

Your home is probably the most expensive item you will depreciate, and therefore it requires special attention. You will always be better off financially if you depreciate your home. There are two important reasons for taking depreciation on your home:

- By taking depreciation on your home, you will probably reduce your taxable income by hundreds of dollars every year you are in business.
- The depreciation you claim on your home is subject to taxes when you sell it, and the IRS rules state that if you are entitled to claim home depreciation, you will be treated as though you did claim it. This means that you will have to pay tax on this amount even if you didn't claim it.

For these reasons, you will always benefit financially by claiming home depreciation as a business expense, regardless of your circumstances.

Complete this Section if you are a New Client or if you have Purchased a New Home

Purchase price of your home: _____

Purchase date of your home: _____

Value of Land/Lot at time of purchase: _____

Home Improvements Completed *BEFORE* your business began:

Description of Project	Month/Year Completed	Cost of Project