

Tax Deductions for Daycare

Income	– Copies of checks and statements from sales, service, commissions and bonuses
Expenses	
Insurance	– Daycare insurance, liability, vehicle, health, property, in some cases life.
Equipment Rent	– Anything you rent on a one time basis, carpet cleaner, toys, and tools.
Professional Cleaning	– Hiring someone to clean, such as cleaning services, dry cleaning drapes, etc.
Cleaning	– Supplies, brooms, vacuums, cleaners, etc.
Household Maintenance	– Anything you buy to maintain your home: paper supplies, light bulbs, towels, containers
Supplies	– Wipes, paper dishes, crayons, diapers, booster seats, baby swing, baby gates, etc.
Toys	– Anything the children play with
Breakfasts, Lunches, and Dinners	– Meals that you feed to your daycare kids. You can take this in one of two ways. The state has an amount that determines how much each meal and snack cost or the actual cost of the meals.
Meals and Entertainment	– Meals with clients, potential clients, and associates. Also tickets to movies or events with or for clients.
Taxes and Licenses	– Business, professional, state and city licenses. Taxes on property, payroll, and sales tax.
Wages	– Anyone you pay to help care for the children, including paying your own children to help
Preschool Expenses	– Any expenses for field trips you take or educational supplies if you include a preschool
Home	– The deduction is determined by the sq. ft. of the whole house compared to the sq. ft. used for day care. Also the number of hours you are available to provide day care is considered. Everything you put into your home is partially deductible: decor, bedding, furniture, appliances, dishes, trees, plants, fencing, repairs, maintenance, utilities and home insurance.
Advertising	– Business cards and newspaper ads
Accounting	– Receipts for your accounting, computer programs, and tax preparation
Children	– Money paid to children for helping with such things as cleaning office, cleaning the car, entertaining and preparing for daycare children

Dues and Subscriptions	– Dues to professional organizations and magazines that have to do with your trade or business
Educational Expense	– Classes or Seminars that you take to improve your business
Gifts	– Gifts to children
Legal and Professional Services	– Attorneys and accountants
Office Expense	– Office supplies, forms and receipt books, computer supplies, internet, postage, printing, day planner, palm pilot, and bank charges
Repairs	– Repairs to equipment such as computers, other office equipment, and daycare equipment
Telephone	– Cell phone, long distance calls on home phone, extra phone lines into home for business, fax or internet
Purchases	– Any equipment, office furniture, computers, vehicles that cost over \$200
Mileage or Vehicle	– There are two ways to take a vehicle expense. One is to take the mileage you use when picking up product, supplies, office supplies, meetings, handing out advertising or business cards, meals and entertaining clients, etc. The other way is to take the expense of using the vehicle: fuel, parts, mechanics, oil changes, etc. Along with taking expenses, you can also depreciate the vehicle.