



Rachel Kennerly, CPA
903.631.0317
www.kennerlycpa.com

Tax Deductions for Self Employed Individuals

Schedule C deductions

(these expenses decrease both regular income tax & self employment tax)

- Auto Expense - actual or mileage
- Home Office
- Dues & Licenses
- Continuing Education
- Cell Phone
- Office Equipment Supplies
- Internet
- Business Related Software & Apps
- Marketing & Advertising
- Work Related Travel
- Work Related/Client Meals
- Insurance (Excluding Health Insurance)
- Accounting & Legal Fees

Above the Line Income Tax Deductions

(these expenses only decrease regular income tax)

- Health Insurance
- IRA or SEP Retirement Account

Advanced Tax Strategies

- Hire spouse - Section 105 plan for health insurance/medical expenses
- Pay children (even those under 18) to perform age appropriate tasks
- Form an LLC or Corporation and file an S Election to save self employment tax - must pay yourself a "reasonable salary"

Rachel Kennerly, CPA has specialized in tax planning, tax return preparation and accounting for entrepreneurs since 2005. We offer full service bookkeeping and can help you reduce your tax burden with strategic planning throughout the year. We also specialize in IRS tax representation, so if you have an income tax issue we can help you resolve it.