

AUTO TRAVEL:

Your auto expense is based on the number of qualified business miles you drive. Expenses for travel between business locations or daily transportation expenses between your residence and temporary work locations are deductible; include them as business miles. Expenses for your trips between home and work each day, or between home and one or more regular places of work, are COMMUTING expenses and are NOT deductible.

Document business miles in a record book as follows: (1) give the date and business purpose on each trip; (2) note the place to which you traveled; (3) record the number of business miles; and (4) record your car's odometer reading at both the beginning and end of the tax year. Keep receipts for all car operating expenses-gas, oil, repairs. Insurance etc.- and of any reimbursement you received for your expenses.

OUT- OF- TOWN TRAVEL:

Expenses accrued when traveling away from "home," overnight on job related and continuing education trips are deductible. Your "home" is generally considered to be the entire city or general area where your principal place of employment is located. Out- of- town expenses include transportation, meals, lodging, tips and miscellaneous items like laundry, valet etc.

Document away- from- home expenses by noting the date, destination and business purpose of your trip. Record business miles if you drove to the out- of-town location. In addition, keep a detailed record of your expenses- lodging, public transportation, meals etc. Always list meals and lodging separately in your records. Receipts must be retained for each lodging expense. However, if any other business expense is less than \$75, a receipt is not necessary if you record all of the information in a timely diary. You must keep track of the full amount of meal and entertainment expenses even though only a portion of the amount may be deductible.

PROFESSIONAL FEES & DUES:

Dues paid to professional societies related to your profession are deductible. However, the costs of initial admission fees paid for membership in certain organizations or social clubs are considered capital expenses.

TELEPHONE EXPENSES:

The basic local telephone service costs of the first telephone line provided in your residence are not deductible. However, toll calls from that line are deductible if the calls are business- related. The costs (basic fee and toll calls) of a second line in your home are also deductible if the line is used exclusively for business.

CONTINUING EDUCATION:

Educational expenses are deductible under either of two conditions: (1) your employer requires the education in order for you to keep your job or rate of pay; or (2) the education maintains or improves skills in your profession. Costs of courses that are taken to meet the minimum requirement of a job, or that qualify you for a new trade or business, are NOT deductible.

EQUIPMENT PURCHASES:

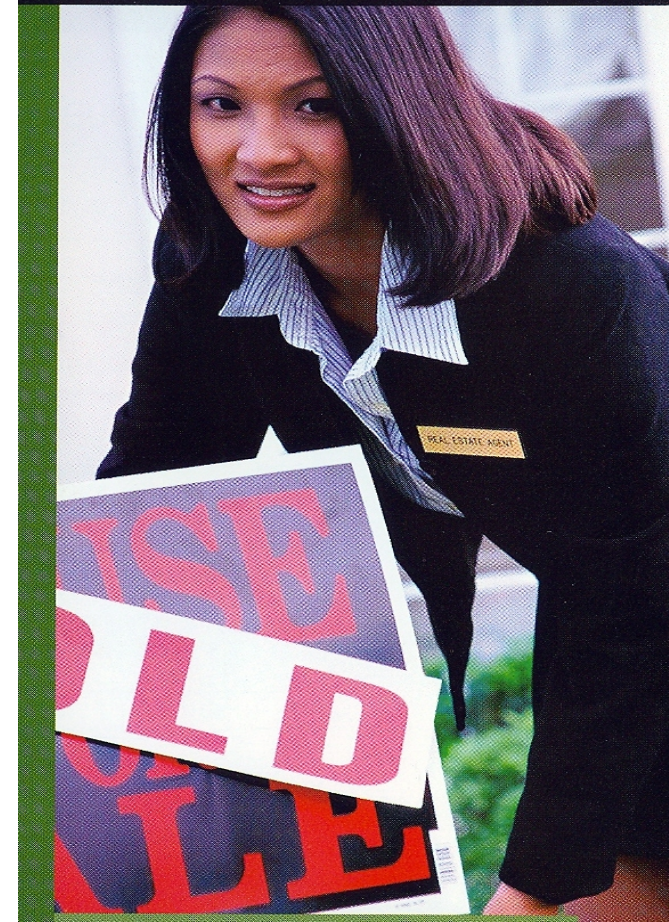
Record separately from other supplies the costs of business assets that are expected to last longer than one year and cost more than \$100. Normally, the costs of such assets are recovered differently on your tax return than are other recurring, everyday business expenses like business cards, office supplies etc.

SUPPLIES & EXPENSES

Generally, to be deductible, items must be ordinary and necessary to your real estate profession and not reimbursable by your employer.

The information provided in this brochure is an abbreviated summary of the rules for the job-related expenses applicable to firefighters. For additional details as to specific business expenses, the records required and the various governmental regulations, consult the firm providing this brochure.

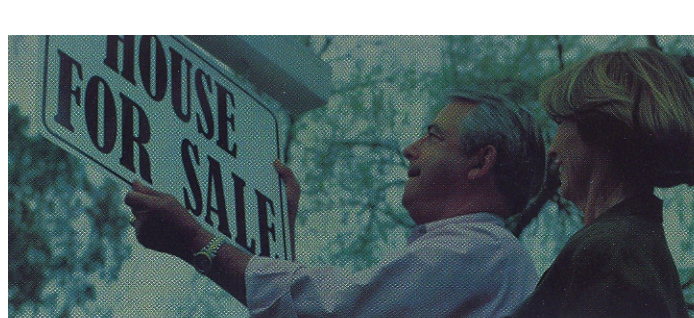
Realtors



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Introduction

Tax Deductions for: Realtors

In order to deduct expenses in your trade or business, you must show that the expenses are "ordinary and necessary." An ordinary expense is one that is customary in your particular line of work. A necessary expense is one that is appropriate but not necessarily essential in your business. The application of these terms to you relies heavily on the "facts and circumstances" of your unique situation.

Auto Travel

Client Meetings (mile)	
Continuing Education (mile)	
Escrow & Loan Office (mile)	
Out-of-Town Business Trips (mile)	
Parking Fees	
Showing Property (mile)	
Tolls	
Other	

Travel - Out of Town

Airfare	
Bridge and Highway Tolls	
Bus and Subway	
Car Rental	
Laundry	
Lodging (do not combine with meals)	
Meals (do not combine with lodging)	
Parking	
Porter, Bell Captain	
Taxi	
Telephone Calls (including home)	
Other:	

Continuing Education

Correspondence Course Fees	
Material, Supplies and Textbooks	
Seminar Fees	
Other:	

Equipment Purchases

Answering Machine	
Calculator	
Camera	
Computer Equipment	
Copy Machine	
Fax Machine	
Recorder	
Telephone	
Other:	

Professional Fees and Dues

Association Dues	
Chamber of Commerce	
License	
M.L.S. Fees	
Realty Board	
Other:	

Telephone Expenses

Fax Transmission	
Paging Service	
Pay Phones	
Toll Calls	
Cellular Service	
Other:	

Supplies & Expenses

Advertising Signs, Flags & Banners	
Appraisal Fees	
Attorney Fees	
Bank Charges	
Briefcase	
Business Cards	
Business Meals (enter 100% of Expenses)	
Clerical Service	
Entertainment (enter 100% of Expenses)	
Equipment Repair	
Expenses	
Fax Supplies	
Film & Processing	
Finders Fees	
Gifts & Flowers	
Greeting Cards	
Insurance- Errors & Omissions Liability	
Legal & Professional Services	
Lock Boxes, Key & Locksmith	
Map Books	
Multiple Listing Service	
Office Expenses	
Open House Expenses	
Photocopy Expenses	
Postage	
Referral Service	
Rent	
Repairs to Sell Listing Property	
Shipping	
Stationary	
Other:	