

Business Expenses for Sole Proprietors™

v.3.0- Study Guide & Outline

Credits: 3 CPE Hours | 50-minute hour credit

Required Texts: Course Transcript (Included)

Required Video Lessons: 42 (Included)

Course Format: QAS SS

Subject Classification: Taxes

Exam Questions: Review - 9 | Final - 15

Prerequisites: None

Advance Preparation: None

Course Level: Overview

Course Publication Date: May 2015

Course Updated: January 2017

Instructions to Complete Course:

- Complete Video Lessons.
- If desired, print Course Transcript and supplemental material to follow along
- Open Review Questions and answer questions on Response Sheet
- Grade and score your Review using Review Questions Answer Key
- Open Final Exam and complete Final Exam using Response Sheet
- Submit Final Exam Response Sheet to TeachUcomp, Inc. following instructions in "Submittal Form & Instructions"

Course Introduction

This course will present an overview of the tax treatment of business expenses which are incurred by sole proprietors (and employees whose employers do not reimburse expenses). We will explore expenses that sole proprietors incur for business-related travel, transportation, meals, entertainment, and gifts; we will also look at the IRS rules related to recordkeeping and reporting such business expenses.

This course will also specifically reference the most recent version of *IRS Publication 463, Travel, Entertainment, Gift and Car Expenses*, as supplemental material.

Course Outline

This course is divided into four chapters that include the following information:

Chapter 1: Travel Expenses

- 1.1 Chapter One Learning Objectives and Key Terms
- 1.2 Introduction to Travel Expenses
- 1.3 Tax Home versus Family Home
- 1.4 Traveling Away from Home
- 1.5 Temporary Assignments or Jobs
- 1.6 Deductible Transportation Expenses
- 1.7 Business Travel versus Personal Travel
- 1.8 Travel Outside the United States
- 1.9 Luxury Water Travel
- 1.10 Conventions

Chapter 2: Entertainment, Meal, and Gift Expenses

- 2.1 Chapter Two Learning Objectives and Key Terms
- 2.2 Introduction to Entertainment, Meal, and Gift Expenses
- 2.3 Directly-Related Test
- 2.4 Associated Test
- 2.5 The 50% Limit
- 2.6 Exceptions to the 50% Limit
- 2.7 Rules Related to Entertainment Expenses
- 2.8 Nondeductible Entertainment Expenses
- 2.9 Meal Expenses
- 2.10 Gift Expenses

Chapter 3: Car (and Other Transportation) Expenses

- 3.1 Chapter Three Learning Objectives and Key Terms
- 3.2 Introduction to Car Expenses
- 3.3 The Standard Mileage Rate
- 3.4 Actual Expenses
- 3.5 Section 179 Deductions
- 3.6 The Special Depreciation Allowance
- 3.7 The Depreciation Deduction
- 3.8 50% or Less Business Use
- 3.9 Leasing a Car
- 3.10 Disposition of a Car

Chapter 4: Recordkeeping and Reporting

- 4.1 Chapter Four Learning Objectives and Key Terms
- 4.2 Introduction to Recordkeeping and Reporting
- 4.3 Records to Keep and Proving Expenses
- 4.4 Incomplete Records

- 4.5 Separating or Combining Expenses**
- 4.6 How to Report Expenses**
- 4.7 Accountable Plans**
- 4.8 Non-Accountable Plans**
- 4.9 IRS Form 2106**
- 4.10 Special Filing Rules**
- 4.11 Further Reading and Conclusion**

Learning Objectives

Each chapter contains two learning objectives. By the end of this course, you should be able to:

1. Identify the characteristics of a taxpayer's main job location, family home location, and tax home location
2. Distinguish between business travel and personal travel
3. Distinguish between those entertainment and meal expenses which are directly related to, and those which are associated with, a taxpayer's trade or business
4. Identify the rules related to the 50% deduction limit on entertainment and meal expenses
5. Differentiate between the rules which apply to taxpayers who use standard mileage rate and those which apply to taxpayers who use actual expenses to calculate business car expense deductions
6. Identify the rules related to the depreciation deductions that a taxpayer who uses his or her car for business purposes may be able to take
7. Identify the records that a taxpayer must keep to accurately substantiate business expenses
8. Identify the reporting rules for taxpayers in a variety of circumstances

Additional Information about TeachUcomp, Inc.

This Study Guide and Outline provides information about a specific TeachUcomp course. For more information about TeachUcomp, Inc. and specific company policies, please visit our General FAQ (Frequently Asked Questions) Page: <http://www.teachucomp.com/faq/> The FAQ page provides information about all of the following TeachUcomp policies:

- Program Registration Requirements
- TeachUcomp, Inc.'s Refund Policy
- TeachUcomp, Inc.'s Complaint Resolution Policy

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You may also contact us with questions by telephone, toll-free: 877-925-8080

For email questions, please use our online "Contact Us" form:

<http://www.teachucomp.com/contact-us/>