

SCHEDULE C ACTIVITY

**Analyzing Self-Employed Borrowers 101 –
Getting Started & the Sole Proprietor**

**SCHEDULE C
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Profit or Loss From Business
(Sole Proprietorship)

Attach to Form 1040, 1040-SR, 1040-SS, 1040-NR, or 1041; partnerships must generally file Form 1065.
Go to www.irs.gov/ScheduleC for instructions and the latest information.

OMB No. 1545-0074

2023
Attachment
Sequence No. **09**

Name of proprietor James Johnson		Social security number (SSN) 000-00-0000
A Principal business or profession, including product or service (see instructions) Property Maintenance and Repair Services	B Enter code from instructions 9 9 9 0 0 0	
C Business name. If no separate business name, leave blank. Property Maintenance Ninjas	D Employer ID number (EIN) (see instr.)	
E Business address (including suite or room no.) 800 W Commercial Ave City, town or post office, state, and ZIP code Jackson, TN 38305		
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify)		
G Did you "materially participate" in the operation of this business during 2023? If "No," see instructions for limit on losses <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
H If you started or acquired this business during 2023, check here <input type="checkbox"/>		
I Did you make any payments in 2023 that would require you to file Form(s) 1099? See instructions <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
J If "Yes," did you or will you file required Form(s) 1099? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Part I Income

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked <input type="checkbox"/>	1	117,200.
2 Returns and allowances	2	
3 Subtract line 2 from line 1	3	117,200.
4 Cost of goods sold (from line 42)	4	28,000.
5 Gross profit. Subtract line 4 from line 3	5	89,200.
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	4,250.
7 Gross income. Add lines 5 and 6	7	93,450.

Part II Expenses. Enter expenses for business use of your home **only** on line 30.

8 Advertising	8		18 Office expense (see instructions)	18	50.
9 Car and truck expenses (see instructions)	9	7,260.	19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11		a Vehicles, machinery, and equipment	20a	
12 Depletion	12		b Other business property	20b	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	2,400.	21 Repairs and maintenance	21	
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III)	22	
15 Insurance (other than health)	15	1,000.	23 Taxes and licenses	23	
16 Interest (see instructions):			24 Travel and meals:		
a Mortgage (paid to banks, etc.)	16a	3,800.	a Travel	24a	
b Other	16b		b Deductible meals (see instructions)	24b	1,000.
17 Legal and professional services	17	600.	25 Utilities	25	1,650.
			26 Wages (less employment credits)	26	6,000.
			27a Other expenses (from line 48)	27a	1,150.
			b Energy efficient commercial bldgs deduction (attach Form 7205)	27b	
28 Total expenses before expenses for business use of home. Add lines 8 through 27b	28	24,910.			
29 Tentative profit or (loss). Subtract line 28 from line 7	29	68,540.			
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions. Simplified method filers only: Enter the total square footage of (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30				
31 Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Schedule 1 (Form 1040), line 3 , and on Schedule SE, line 2 . (If you checked the box on line 1, see instructions.) Estates and trusts, enter on Form 1041, line 3 . • If a loss, you must go to line 32.	31	68,540.			
32 If you have a loss, check the box that describes your investment in this activity. See instructions. • If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 3 , and on Schedule SE, line 2 . (If you checked the box on line 1, see the line 31 instructions.) Estates and trusts, enter on Form 1041, line 3 . • If you checked 32b, you must attach Form 6198 . Your loss may be limited.			32a <input type="checkbox"/> All investment is at risk.		
			32b <input type="checkbox"/> Some investment is not at risk.		

Part III Cost of Goods Sold (see instructions)

33	Method(s) used to value closing inventory: a <input checked="" type="checkbox"/> Cost b <input type="checkbox"/> Lower of cost or market c <input type="checkbox"/> Other (attach explanation)	
34	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35 26,000.
36	Purchases less cost of items withdrawn for personal use	36 15,000.
37	Cost of labor. Do not include any amounts paid to yourself	37
38	Materials and supplies	38 2,000.
39	Other costs	39
40	Add lines 35 through 39	40 43,000.
41	Inventory at end of year	41 15,000.
42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4	42 28,000.

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43	When did you place your vehicle in service for business purposes? (month/day/year) <u>01/01/2020</u>
44	Of the total number of miles you drove your vehicle during 2023, enter the number of miles you used your vehicle for:
a	Business <u>12,000</u> b Commuting (see instructions) _____ c Other <u>8,000</u>
45	Was your vehicle available for personal use during off-duty hours? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
46	Do you (or your spouse) have another vehicle available for personal use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
47a	Do you have evidence to support your deduction? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
b	If "Yes," is the evidence written? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Part V Other Expenses. List below business expenses not included on lines 8–26, line 27b, or line 30.

Dues	100.
Laundry	400.
Casualty Loss	650.
48 Total other expenses. Enter here and on line 27a	48 1,150.

Schedule C – Sole Proprietorship Cash Flow

SCHEDULE C - SOLE PROPRIETORSHIP		2024	2023
Name:			
4	Net Profit (Loss): LINE 31		
5	Deduct nonrecurring income: LINE 6	()	()
6	Depletion: LINE 12		
7	Depreciation: LINE 13		
8	Non-Deductible Meals and Entertainment Exclusion: LINE 24b	()	()
9	Business Use of Home: LINE 30		
10	Business Miles: Page 2, Part IV, LINE 44a OR Related 4562, Line 30	*Miles	*Miles
11a	x Depreciation Rate 2024: \$0.30, 2023: \$0.28, 2022: \$0.26		
11b	= Total Mileage Depreciation		
12	Amortization/Casualty Loss (only if noted): page 2, part V		
SUBTOTAL		\$ -	\$ -