

INCOME TAX PREPARATION FOR YOUR MARY KAY BUSINESS

(Always Consult your Accountant for tax advice and you may reference Mary Kay Tax Essentials (under Resources) on MaryKayInTouch.com)

Name: _____ Tax Year: _____

TAKE A PHYSICAL INVENTORY OF ALL SECTION 1 WHOLESALE MERCHANDISE ON YOUR SHELF AS OF DECEMBER 31 (Count Section 2, Limited Edition, or Discontinued Products SEPARATELY, as they are not included!)

- Use your consultant Order Sheet to record totals. You may combine all products of the same type in your totals on the consultant Order Sheet that have the same price, ie; TimeWise 3 in 1 Dry to Normal Cleanser and TimeWise 3 in 1 Oily to Combination Cleanser and TimeWise 3 in 1 Bar Soap are all \$18; count these quantities together. Another example: Count all Lipsticks and Glosses (that are the same price) together as one total on the consultant order sheet under one lip color category.
- Enter your inventory count on Mary Kay In Touch as an online order and print out for your inventory total to be recorded on your taxes and your copy for your tax records. Make sure you give your accountant/report on your taxes the **Wholesale** amount of your inventory. **NOTE AGAIN: do not include Section 2, Ltd. Edition items, discontinued products in your wholesale inventory total.**

1. STARTER KIT COST IF YOU ARE A NEW CONSULTANT DURING THE YEAR. \$ _____
2. ALL RETAIL SALES INCOME: including all sales tax collected from classes, facials, and reorders... \$ _____
(this number may be net of Refunds)
3. ALL OTHER INCOME: 4-13% checks, promotional prizes commissions on 1099 Form from the Company, bank interest, and dovetail commissions..... \$ _____
4. BEGINNING INVENTORY AS OF JANUARY 1 (WHOLESALE AMOUNT)..... \$ _____
5. ENDING INVENTORY AS OF DECEMBER 31 (WHOLESALE AMOUNT) \$ _____

6. BUSINESS EXPENSES: (Note: Some expense items listed pertain to Directors. Some expense items listed pertain to in home office deductions which may not be applicable to you. Consult with an account for advice on taking in home office deduction and the best way to deduct automobile expense: mileage vs expenses.)

- Section 1 wholesale purchases for the year (Without sales tax and without shipping & Section 2) \$ _____
- Section 2 purchases for the year..... \$ _____
- Sales tax and freight charges paid to Company on product purchases & Sect. 2 purchases \$ _____
- Accounting, Legal, and other professional fees (example: payroll service)..... \$ _____
- Advertising, Promotional, PCP, Website expenses (Preferred Customer Program) \$ _____
- Auto Expenses (gas and other)..... \$ _____
- Bank Service Charges (money order, Cashier Check, VISA/MasterCard fees on product order, checking acct. charges) \$ _____
- Books, subscriptions, training material expense (books, cd's, dvd's, educational materials, beauty magazines)... \$ _____
- Conference Expenses: **Inclusive** of all expenses related to conferences, Seminar and Retreats..... \$ _____
- Contract Labor, Office Help, Hired Salary Expense, Virtual Office Help \$ _____
- Donations (Other than product donations)..... \$ _____
- Insurance – business (such as extra insurance for business, property, liability and product) \$ _____
- Interest paid on business loans or VISA/MasterCard for inventory & expenses..... \$ _____
- Janitorial – your Mary Kay office \$ _____
- Meeting Expense (Consultants – Dues, participation fees, red jackets, beauty coat, cleaning of red jacket/beauty coat, etc.) (This could be combined with Workshop Exp) \$ _____
- Meeting & Dtrts. Supplies Expense (This category typically for Dtrts. Use only and specific related expenses for Directors & Unit Meetings. Director Suit, dry cleaning of director suit and beauty coat, meeting displays, props, etc.)..... \$ _____
- Office Supplies, Equipment, Internet, & Printing Expense..... \$ _____
- Postage & Shipping \$ _____
- Prizes and Unit Awards Expense (typically for Directors use)..... \$ _____
- Rent \$ _____
- Selling Expense (open house expense, packaging, candy placed in product orders, tissue in orders, non mary kay gifts, note cards, SCC Supplies, etc.)... \$ _____
- Taxes Payroll & Other..... \$ _____
- Telephone/Cell Phone Expense \$ _____
- Trash Removal & Utilities (portion for your Mary Kay business)..... \$ _____
- Workshop, Training, & Event Expense (recruiting, training, NSD workshop event fees, & recruiting interview expense) \$ _____
- \$ _____
- Refunds at retail value (This number may be netted with your Personal Sales Number)..... \$ _____

Business Miles Driven (provide TOTAL miles driven for the year AND separate Business Miles total)	TOTAL MILES/ BUSINESS MILES	
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