

# MEDICAL PROFESSIONALS TAX WORKSHEET

## SUPPLIES & EXPENSES

Generally, to be deductible, items must be ordinary and necessary to your medical profession and not reimbursable by your employer. Record separately from other supplies the cost of business assets that are expected to last longer than one year and cost more than \$100. Normally, the cost of such assets are recovered differently on your tax return than are other recurring, everyday business expenses such as business cards or medical supplies.

## OTHER EXPENSES:

Expenses of looking for new employment in your present line of work are deductible-you do not have to actually obtain a new job in order to deduct the expenses. Out-of-town job-seeking expenses are deductible only if the primary purpose of the trip is job seeking, not pursuing personal activities.

## 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.

## UNIFORMS & UPKEEP EXPENSES:

If you are required to wear a uniform in your medical profession, the cost and upkeep may be deductible. IRS rules specify that work clothing cost and the cost of its maintenance are deductible if: (1) the uniforms are required by your employer (if you're an employee); and (2) the clothes are not adaptable to ordinary street wear. Normally, the employer's emblem attached to the clothing indicates it is not for street wear. The cost of protective clothing (e.g., safety shoes or goggles) is also deductible.

## 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 as a medical professional. Costs of courses that are taken to meet the minimum requirements of a job, or that qualify you for a new trade or business, are NOT deductible.

## AUTO TRAVEL:

Your auto expenses are based on the number of qualified business miles you drive. Expenses for travel between work locations or daily transportation expenses between your residence and temporary work sites 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 of 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. T F-T 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 medical profession are deductible. However, the cost of initial admission fees paid for membership in certain organizations or social clubs are considered capital expenses.

Deductions are allowed for payments made to a union as a condition of initial or continued membership. Such payments include regular dues but not those which go toward defraying expenses of a personal nature. However, the portion of union dues that goes into a strike fund is deductible.

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

<b>SUPPLIES &amp; EXPENSES</b>		<b>AUTO TRAVEL</b>		<b>UNIFORMS &amp; UPKEEP</b>	
Answering Machine		Between Medical Facilities (mi)		Alterations & Repairs	
Bag – Medical		Continuing Education (mi)		Shoes	
Beeper – Pager		Interviews – Position		Cleaning	
Briefcase		Out-of-Town Business Trips (mi)		Hat, Cap	
Business Cards		Patient House Calls (mi)		Jacket	
Business Meals (100% of expense)		Purchasing Equipment & Supplies (mi)		Laundry	
Medical Equipment		Uniform Cleaning & Maintenance (mi)		Pants	
Office Supplies		Parking Fees (\$)		Scrubs	
Recorder & Tapes		Tolls (\$)		Other:	
Referral Service		Other:		<b>TELEPHONE EXPENSES</b>	
Repairs – Equipment		Other:		Answering Service	
Stationary		<b>CONTINUING EDUCATION</b>		Cellular Service	
Other:		Correspondence Course Fees		Paging Service	
Other:		Lab Fees		Pay Phone	
Other:		Photo Copy Expenses		Toll Calls	
<b>OUT-OF-TOWN TRAVEL</b>		Reference Material		Other:	
Airfare, Train & Bus		Registration Fees		<b>OTHER EXPENSES</b>	
Bridge & Highway Tolls		Seminar Fees		Malpractice Insurance	
Car Rental		Textbooks		Journals Medical	
Lodging (do not combine with meals)		Transcripts		Legal (protection & production or taxable income)	
Meals (do not combine with lodging)		Other:		Liability Insurance	
Parking		<b>PROFESSIONAL FEES &amp; DUES</b>		Periodicals – Medical	
Porter, Bell Caption		Alumni Dues		Resume – Job Seeking	
Taxi & Subway		Medical Association Dues		Other:	
Telephone Calls (including home)		Professional Association Dues		Notes:	
Other:		Union Dues			
Other:		Other:			