

# Owner-operator tax deductions

As an owner-operator, you are self-employed, so any expense related to operating your business is tax-deductible. The Internal Revenue Service requires you to provide written proof of an expense. That may include a receipt, canceled check, settlement statement, bill, log or, when no document is available, such as business-related use of your personal vehicle, your records in a notebook. You must provide the date, place, type of expense and the amount. All deductions must be business related.

## **CATEGORIES**

**CASUALTY FINANCIAL LOSS.** This is from damage such as hail, wind, theft and accidents.

**DEPRECIABLE PROPERTY.** The types of property that can be depreciated include tractor, trailer, equipment, buildings, computers, fax machine, copy machine and furniture used in business.

**ENTERTAINMENT.** For entertaining business associates. Personal entertainment, such as movies or games, is not deductible even while on the road.

**GIFTS.** Limited to \$25 value for any person.

**INSURANCE PREMIUMS.** Includes personal insurance, such as health.

**HOME OFFICE.** To qualify, the home office must be your principal place of business. You must use the home office, including a computer and other equipment, regularly and exclusively for administration and management of your business. You may not have any other fixed location where you regularly conduct administration and management activities of the business.

**RETIREMENT PLANS.** These include Keogh plan for self or spouse, SIMPLE, Simplified Employee Pension (SEP), IRA and others.

**BUSINESS LOANS AND MORTGAGE.** Interest paid during calendar year.

**PER DIEM.** Covers meals and incidentals at a fixed daily rate when you are away from home overnight. There is no need to save receipts.

**START-UP COSTS.** Trips to visit truck dealers, bankers, carriers, etc.

**SUPPLIES.** For home office or truck.

**TAXES, LICENSES AND OTHER GOVERNMENT FEES.** Half of your self-employment tax is deductible. Fines and citations for illegal activity, such as speeding or weight violations, are not tax-deductible.

**TRAVEL.** Airline tickets, rental cars, lodging.

**TRUCK LEASE.** Under a lease-purchase, 100 percent of your truck payments are deductible. Security deposits are not deductible

Here are some of the more common, specific deductions available:

## **ADMINISTRATIVE FEES / BUSINESS COSTS / OFFICE SUPPLIES**

Accounting services

ATM fees, bank fees

Broker fees

Calculator

Comdata, Comchek

Co-driver, lumpers

Clipboard

Computer supplies

Credit card fees  
Education  
Envelopes  
Fuel card fees  
Ledger book  
Legal costs  
Paper, pens, ruler  
Photocopies and faxes  
Postage, FedEx, TripPak  
Receipt book  
Software  
Stapler and staples  
Trade magazines  
Trade memberships  
Transaction fees

### **COMMUNICATIONS**

CB radio, repairs, antennas, cables  
Cell phone and accessories  
Pager  
Phone cards  
Qualcomm, satellite, Internet  
Satellite radio

### **INSURANCE**

Bobtail/liability  
Cargo insurance/cargo claims  
Disability  
Health, dental, vision  
Occupational accident  
Physical damage

### **PERMITS, LICENSES, FEES**

Door signs, decals, lettering  
Fuel taxes and road taxes  
Federal Highway Use Tax (Form 2290)  
IRP, licenses and permits  
Parking, scales  
Tolls, Pre-Pass

### **PERSONAL**

CDL fees  
Caps, coats, shirts (with carrier logo)  
Drug test  
Eye exams, glasses, sunglasses  
Gloves, coveralls  
Laundry  
Mileage on personal vehicle  
Motels  
Raingear  
Safety shoes/boots  
Uniforms

### **TRACTOR-TRAILER – EXTERIOR AND UNDER THE HOOD**

Chains, tarps, pallets, bungee cords

Chrome

Coolant, antifreeze

Fuel and fuel additives, filters

Headache rack

Kingpin lock, padlocks

Load locks

Oil, lube

Power washer

Repairs, parts, labor

Shop equipment, power cords

Tires and repairs

Trailer wash, tractor wash

Vacuum

Wax

### **TRACTOR – INTERIOR**

Accessories

Air fresheners

Alarm clock

Appliances

Atlas and maps

Bedding, sheets

Electric blanket, bunk heater

Camera, film

CD player

Cleaning supplies

Coffee pot

Coolers and ice

Crockpot

DVD player

Flashlight and batteries

Flyswatter

Hangers

Hoses and cables

Ice scraper

Luggage

Microwave

Paper towels

Refrigerator

Rugs, floor mats

Seat covers, cushions

Storage

Thermos

Tools (hand and power)

Trash bags

TV

Video players