

## Tax Deductions for Your Photography

1. Record all income that you receive from your photography - every penny, every year. The IRS doesn't care if you miss a deduction or two, but it gets upset if you fail to report income.
2. Track your automobile expenses. You have two options here: you either can track the mileage you travel for photography purposes to deduct the government rate per mile (currently \$0.485); or you can calculate what it costs to operate your vehicle for the year and apply the percentage that you use your automobile for photography to determine your auto expense. For either method, record the starting mileage for your vehicle each year.
3. The IRS publishes a per diem rate for standard expenses when on the road. Keep up with travel days for your photography if you choose that method, or track your actual "ordinary and necessary" travel expenses to deduct them.
4. If you operate your photography business out of your home, you may deduct a percentage of your housing costs (mortgage, water, electricity, insurance, etc.) based on the proportion of the house that is used solely for photography. You may not deduct the expenses for both an office at home and elsewhere, such as a studio.
5. You may deduct the cost of a phone line for your business as long as you also have a personal line. You also may deduct the cost of long distance calls made for your photography, so keep your phone records.
6. You may deduct the cost of photography seminars and workshops, so track those expenses.
7. You may allocate a proportion of your internet, website and computer expenses that support your photography business. Be sure to apportion an appropriate amount for your personal use, where applicable.
8. Keep receipts for all of your photography expenses, including equipment, supplies and materials. Checks and credit card statements are helpful as proof of your costs, but they are not the preferred documentation.
9. Equipment that lasts more than one year (cameras, furniture, etc.) must be depreciated over the expected life of the item, meaning that you deduct only a portion of its cost each year. Maintain a spreadsheet with the date of purchase and the depreciation schedule so that you will know the basis of the equipment if you sell it before the end of the five years. Be sure to check into the "section 179 deduction" that allows you to deduct the cost (up to a certain amount) of depreciable property in the year you buy it.
10. You may deduct your accountant and attorney fees (including fees for registering your copyrights) that support your photography business activities, so keep copies of invoices from those professionals.

## Tax Deductible Expenses for Photographers

This is a basic list of typical expenses incurred by photographers. You may have others.

- Book, magazines, reference material
- Business insurance
- Business meals and entertainment
- Cabs, subways, buses
- Equipment
- Film developing/processing
- Film supplies
- Gas and electric
- Internet/web site
- Legal and professional fees
- Memberships (professional organizations)
- Messengers, private mail carriers, postage
- Mortgage interest/taxes
- Office supplies
- Promotion
- Props
- Software
- Staff fees
- Studio rent
- Studio supplies
- Stylists/makeup
- Tax preparation
- Telephone
- Travel