

## 1099-NEC & Schedule C Worksheet

*Complete if client has 1099-NEC Non-Employee Compensation or Other Self Employment Income*

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| 1. Does the client have a 1099-NEC?  | <input type="checkbox"/> Yes <input type="checkbox"/> No   |
| 2. Did the client work for someone or do they own their own business?              | <input type="checkbox"/> Worked for someone / <input type="checkbox"/> Owned their own business<br>Independent Contractor  |
| 3. If they owned their own business, do they have an IRS EIN number?               | <input type="checkbox"/> No <input type="checkbox"/> Yes; Enter Business Info Below:<br>EIN Number: _____<br>Company Name: _____<br>Company Address: _____<br>_____  |
| 4. What is the company business code?<br>(See List Below)                          | Business Code: _____   |
| 5. Did client have cash income / tips?   | <input type="checkbox"/> No <input type="checkbox"/> Yes; Total Amount: _____  |
| 6. Did client have expenses?   | <input type="checkbox"/> No <input type="checkbox"/> Yes (List Below)  |
| Expenses:<br>_____<br>_____<br>_____<br>_____<br>_____<br>_____<br>_____<br>_____  |  |
| 7. Did client have vehicle expenses?   | <input type="checkbox"/> No <input type="checkbox"/> Yes; Enter Info Below:<br>Description of Vehicle: _____<br>Date vehicle was placed into service for this business:<br>_____<br>Business Miles: _____<br><input type="checkbox"/> Check if client has another vehicle available for personal use.<br><input type="checkbox"/> Check if client's vehicle was available for personal use during off duty hours.<br><input type="checkbox"/> Check if client has evidence to support mileage deduction.<br><input type="checkbox"/> Check if evidence is written. |
| 8. Did you check out of scope list to make sure income and expenses were in scope? | <input type="checkbox"/> Yes <input type="checkbox"/> No (Check list on next page)   |

### **Out of Scope for 1099-K and Schedule C**

#### 1099-K:

- Any adjustments to amount reported on Form 1099-K

#### Schedule C:

- Hobby income or not for profit activity
- Professional gamblers
- Bartering
- Any transaction involving virtual currency (bitcoins)
- Method of accounting other than cash
- Taxpayers who do not materially participate in the business
- Payments made that require Form 1099 to be filed
- Return and allowances
- Cost of goods sold (inventory)
- Total expenses over \$35,000
- Vehicle expenses reported as actual expenses
- Contract labor
- Depletion
- Depreciation or when Form 4562 is required
- Expenses for employees
- Car rental or lease more than 30 days
- Casualty losses, amortization
- Business use of home
- Net losses