



SecuraEdge Financials

Common Tax deductions for Realtors/ PREC owners

Common deductions

1 Vehicle Expenses



- Fuel / electricity
- Repairs, insurance licensing
- Interest on loans
- Leasing

2 Home Office Expenses



- Utilities
- Internet, phone
- Mortgage interest /rent
- Maintenance

4 Professional Development



- Courses
- Coaching



3 Marketing & Advertising



- Social media ads, print materials
- Photography
- Branding

6 Meals & Entertainment (50% Rule)



- Client meals
- Record cost & attendees

7 Internet & Cell Phone



- Keep bills

4 Licensing & Professional Fees



- Territorial dues
- Renewals
- E&O insurance
- Brokerage fees

5 Recordkeeping



- Keep receipts instead of bank statements
- Keep measurements



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Vehicle expenses and mileage log



73 cents per kilometer
for the first 5,000 km
67 cents per kilometer
beyond 5,000 km



If you drove 20,000 km for business, you can claim:

- \$7,300 for the first 10,000 km
- \$6,700 for the next 10,000 km

Total deduction: **\$14,000**

For incorporated businesses, this results in annual savings of \$1,750.



How the CRA Simplified Mileage Log Works

STEP 1

Keep a FULL logbook for one full year

- Date
- Destination
- Purpose
- KM driven
- Odometer readings



STEP 2

In future years, keep a 3-month "sample logbook"

(Sample % / Base year same period %) x Base vs %
= Annual business use

- Reduces paperwork
- CRA-accepted
- Ideal for consistent patterns



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Claiming Vehicle Expenses Without a Mileage Log



You need credible evidence of business-use.

Reconstruct your mileage using:

- ✓ Calendar appointments
- ✓ Email confirmations
- ✓ Client meeting records
- ✓ MLS showing history
- ✓ Navigation history
- ✓ Service records

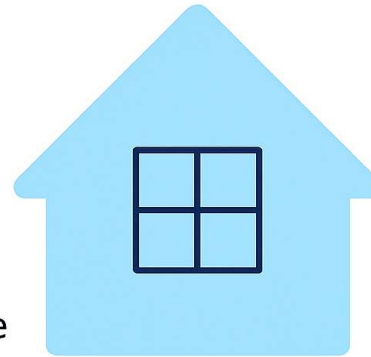
Home Office Expenses

What You Can Deduct

- Utilities (hydro, heat, electricity)
- Internet & phone
- Mortgage interest or rent
- Maintenance

Key Rules

- Space must be exclusive to business use
- Example:
100 sq ft office
/1,000 sq ft home = **10%**



Key Rules

- Space must be exclusive to business use
- Calculate percentage of home used for business = **10%**

Example: 100 sq ft office
/1,000 sq ft home = **10%**

Are Meals 100% Deductible for Self-Employed Realtors?



No—meals are limited to a **50%** deduction.

Applies to self-employed and incorporated realtors

When meals can be deducted (50%)

- Client meetings
- Business-related events
- Traveling for work

✗ When meals cannot be deducted

- Personal meals
- No direct business purpose
- Cannot document who/why



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