

Business Use of Home — Daycare Simplified Method Worksheet

- 1) Multiply days used for daycare during the year by hours used per day 1) _____
- 2) Total hours available for use during the year. See *Instructions for the Daycare Facility Worksheet*, below..... 2) _____
- 3) Divide line 1 by line 2. Enter the result as a decimal amount here and on line 3b of the *Business Use of Home—Simplified Method Worksheet*..... 3) _____
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Instructions for the Daycare Facility Worksheet

Use this worksheet to compute the percentage to use on line 3b of the *Business Use of Home—Simplified Method Worksheet*. If the taxpayer does not use the area of the home exclusively for daycare, reduce the prescribed rate on line 3a before computing the deduction using the simplified method.

Tip. If the taxpayer used at least 300 square feet for daycare regularly and exclusively during the year, then do not complete this worksheet. This worksheet is only needed if the taxpayer did not use the allowable area exclusively for daycare.

Line 1. Enter the total number of hours the facility was used for daycare during the year.

Example. Bob's home is used Monday through Friday for 12 hours per day for 250 days during the year. It is also used on 50 Saturdays for 8 hours a day. Bob enters 3,400 hours on line 1 (3,000 hours for weekdays plus 400 hours for Saturdays).

Line 2. If the taxpayer used the home for daycare during the entire year, multiply 365 days (366 for a leap year) by 24 hours (8,760 hours for non-leap years and 8,784 hours for leap years), and enter the result. If the taxpayer started or stopped using the home for daycare during the year, prorate the number of hours based on the number of days the home was available for daycare. Multiply 24 hours by the number of days available and enter that result.