

Business Use of Home—Worksheet to Compute Deduction

For details on completing this worksheet, see *Instructions for the Worksheet to Figure the Deduction for Business Use of Your Home*, IRS Publication 587, *Business Use of Your Home*. Use a separate worksheet for each qualified business use of your home.

Part 1—Part of Your Home Used for Business

- 1) Area of home used for business..... 1) _____
- 2) Total area of home..... 2) _____
- 3) Percentage of home used for business (divide line 1 by line 2 and show result as percentage)..... 3) _____ %

Part 2—Figure Your Allowable Deduction

- 4) Gross income from business..... 4) _____
- | | | (a)
Direct Expenses | (b)
Indirect Expenses | |
|--|-----|------------------------|--------------------------|--|
| 5) Casualty losses..... | 5) | _____ | _____ | |
| 6) Deductible mortgage interest..... | 6) | _____ | _____ | |
| 7) Real estate taxes..... | 7) | _____ | _____ | |
| 8) Total of lines 5 through 7..... | 8) | _____ | _____ | |
| 9) Multiply line 8, column (b), by line 3..... | 9) | | _____ | |
| 10) Add line 8, column (a), and line 9..... | 10) | | _____ | |
| 11) Business expenses not from business use of home..... | 11) | | _____ | |
| 12) Add lines 10 and 11..... | 12) | | _____ | |
| 13) Deduction limit. Subtract line 12 from line 4..... | 13) | | _____ | |
| 14) Excess mortgage interest..... | 14) | _____ | _____ | |
| 15) Excess real estate taxes..... | 15) | _____ | _____ | |
| 16) Insurance..... | 16) | _____ | _____ | |
| 17) Rent..... | 17) | _____ | _____ | |
| 18) Repairs and maintenance..... | 18) | _____ | _____ | |
| 19) Utilities..... | 19) | _____ | _____ | |
| 20) Other expenses..... | 20) | _____ | _____ | |
| 21) Add lines 14 through 20..... | 21) | _____ | _____ | |
| 22) Multiply line 21, column (b), by line 3..... | 22) | | _____ | |
| 23) Carryover of operating expenses from prior year..... | 23) | | _____ | |
| 24) Add line 21, column (a), line 22, and line 23..... | 24) | | _____ | |
| 25) Allowable operating expenses. Enter the smaller of line 13 or line 24..... | 25) | | _____ | |
| 26) Limit on excess casualty losses and depreciation. Subtract line 25 from line 13..... | 26) | | _____ | |
| 27) Excess casualty losses..... | 27) | _____ | _____ | |
| 28) Depreciation of your home from line 40 below..... | 28) | _____ | _____ | |
| 29) Carryover of excess casualty losses and depreciation from prior year..... | 29) | _____ | _____ | |
| 30) Add lines 27 through 29..... | 30) | | _____ | |

Business Use of Home—Worksheet to Compute Deduction continued

31) Allowable excess casualty losses and depreciation. Enter the smaller of line 26 or line 30.....	31)	_____
32) Add lines 10, 25, and 31.....	32)	_____
33) Casualty losses included on lines 10 and 31	33)	_____
34) Allowable expenses for business use of your home. (Subtract line 33 from line 32.) See instructions for where to enter on your return.....	34)	_____

Part 3— Depreciation of Your Home

35) Smaller of adjusted basis or fair market value of home.....	35)	_____
36) Basis of land	36)	_____
37) Basis of building (subtract line 36 from line 35).....	37)	_____
38) Business basis of building (multiply line 37 by line 3).....	38)	_____
39) Depreciation percentage (from applicable table or method)	39)	_____ %
40) Depreciation allowable (multiply line 38 by line 39).....	40)	_____

Part 4— Carryover of Unallowed Expenses to Next Year

41) Operating expenses. Subtract line 25 from line 24. If less than zero, enter -0-	41)	_____
42) Excess casualty losses and depreciation. Subtract line 31 from line 30. If less than zero, enter -0-	42)	_____