



# Tax Prep Check list

## Pre-season setup (do this now)

### 1. Separate your money by

- Open a dedicated checking account (and, if possible, a card) for rideshare income/expenses.

### 2. Pick your tracking system

- Choose an app or spreadsheet for **miles** and **expenses**.
- Save digital copies of every receipt (photo/PDF) in labeled folders by month.

### 3. Document your vehicle

- Record your **odometer** today (and keep last Jan 1 and Dec 31 readings for total miles).
- Note vehicle make/model, purchase/lease date, and cost/lease terms.

### 4. Decide your bookkeeping cadence

- Block **15 minutes weekly** to log miles, trips, and expenses; **30 minutes monthly** to reconcile totals.

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## What to track—every ride, every week

### 5. Business miles

- Log date, start/end odometer (or app log), total business miles, and brief purpose.
- Generally, miles **from the moment you go “online” to the moment you go “offline”** are business (exclude personal detours).
- Also log **total annual miles** (all driving).

### 6. Common deductible expenses (keep receipts)

- Gas, oil changes, tires, maintenance, repairs, car washes
- Tolls & business parking
- Auto insurance (business share), vehicle registration & inspections
- Lease payments **or** depreciation (if you own)
- Interest on auto loan (business share)
- Phone + data plan (business %), hotspot, in-car charger/mount, phone holder



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- Car mats, seat covers, cleaning supplies, first-aid kit
- Water/snacks for passengers, umbrella, aux cables
- Platform fees/commissions, background checks, safety equipment
- **Not deductible:** tickets/fines, personal grooming, everyday clothes

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## Choose your deduction method (decide at filing time)

### 7. Standard Mileage vs. Actual Expenses

- **Standard mileage rate:** a cents-per-mile amount set by the IRS for the tax year. It **replaces** gas, maintenance, insurance, depreciation, etc. You can still add **business tolls & parking** separately.
- **Actual expenses:** deduct the business % of your real costs (fuel, repairs, insurance, depreciation/lease, etc.).
- **Tip:** If you use **actual with depreciation in the first year**, you usually **cannot switch** to standard later. Starting with **standard** keeps options open. Track **both** during the year so you can pick the better outcome at tax time.

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## Quarterly rhythm (estimated taxes)

### 8. Set money aside

- Move **25–30% of net profit** (after expenses) to a tax savings sub-account to cover income + self-employment tax.

### 9. Pay quarterly estimates

- Typical due dates: **Apr 15, Jun 15, Sep 15, Jan 15 (next year).**
- Use IRS Direct Pay or EFTPS. States/cities may also require estimates (depends where you live/work).

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## Possible extra deductions/credits (keep proof)

### 10. Home office (optional but powerful)



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- If you use part of your home **regularly and exclusively** for scheduling, bookkeeping, charging gear, etc., you may deduct it (simplified or actual method). Keep square footage and expense records. (Your car can still be your primary “place of business”.)

## 11. Health insurance (self-employed)

- Track monthly premiums you pay; may be deductible.

## 12. Retirement contributions

- SEP-IRA or Solo 401(k) can reduce taxable income. Note contribution deadlines and limits.

## 13. Qualified Business Income (QBI)

- Many rideshare drivers qualify for up to a **20% deduction** on business profit (subject to income limits). Your books must clearly show net profit.

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## Year-end wrap-up (December–January)

### 14. Download platform reports

- Get your **annual tax summaries** and **1099-K / 1099-NEC / 1099-MISC** from each app you drove for. Report **all** income, even if a form is missing.

### 15. Reconcile

- Match the platform’s **gross earnings** to your logs. Confirm fees/commissions, incentives, and tips are captured.

### 16. Finalize miles

- Record Dec 31 odometer. Compute **total miles** and **business miles**. Verify with your app logs.

### 17. Pick your method

- Compare **standard mileage** vs **actual expenses** using your full-year data. Choose the larger deduction.

### 18. Assemble your packet (for yourself or your preparer)

- Income forms (1099-K/NEC/MISC), annual summaries, bank statements (business account), mileage log, expense report with receipts, vehicle docs (purchase/lease), home-office worksheet (if any), health insurance 1095-A (if marketplace), retirement contribution statements.

### 19. File the right forms

- **Schedule C** (business income/expenses)



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- **Schedule SE** (self-employment tax)
- **Form 4562** (depreciation/vehicle) if using actual/Section 179/bonus
- **Form 8829** (home office, regular method) or keep simplified method calc with your files
- **Form 8995/8995-A** (QBI), if eligible

## 20. Keep records

- Retain logs and receipts **at least 3 years** (7 years if you claimed large losses/depreciation).

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### Quick monthly checklist (print this)

- Reconcile platform payouts to bank deposits
- Enter all expenses & attach receipts
- Update mileage log (business & total)
- Move 25–30% of profit to tax savings
- Review if you're on pace for quarterly estimates

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### Pro tips for rideshare drivers

- **First/last miles of the day:** Turning the app **on** before you leave home helps establish that outbound miles are business. Turning it **off** after you're truly done prevents personal miles from sneaking in.
- **Multiple cars?** Track miles/expenses **by vehicle**.
- **Big repair vs. new tires:** Large, infrequent costs can make **actual** method win—run the numbers before filing.
- **Audit-ready logs:** Short, consistent notes (e.g., “Lyft/Uber shifts—Dallas downtown”) are enough when paired with app trip data.