

# TAX

# WORKBOOK

FOR MARY KAY



# Year End Tax Checklist

## Starter Kit Refresh

Go through your Starter Kit to refresh and restock any items that you're running low on or that you wish to start demonstrating at your parties. Write a list of these items at their wholesale cost on a Sales Ticket and label it "Demo Items"

## Personal Items Refresh

Go through your Personal Travel Roll Up Bag to refresh and restock any items that you are running low on or wish to try. Write a list at their wholesale cost on a Sales Ticket and label it "Personal Use Items".

## Take Inventory

The easiest way to count your Section 1 Inventory is to start an order on InTouch. As you count things on your shelf, add them to the order. Do not place the order. Just print it out and write "2019 Ending Inventory" on the paper. The wholesale value of your products will be printed at the top. You do not need to include any Section 2 items.

For products on your shelf that are not available to order from the company, create a separate list on a Sales Ticket. These will be categorized as "2019 Discontinued Items" and can be written off on your tax return.

## December Orders

Print a record of all your December Section 1 and Section 2 orders. In mid-January, Mary Kay will post a report of the orders you placed the other 11 months.

## Document ending Mileage

Document your ending mileage on all cars available for you to drive by taking a picture of the odometers. File these with your other tax information.

## Recording Office Space

Measure the square footage of your "Mary Kay Office Space". This includes the closet where you keep your products, your office space, and anywhere else that is exclusively used for business. The space does not have to be an entirely separate room, however, it does need to be exclusively used for business purposes.

Take pictures of this space and file with your other tax information. Don't have any personal items in the photos.

## Account for CDS Orders

If you did not print a record of all your CDS orders throughout the year, send an email to [crconfidential@mkcorp.com](mailto:crconfidential@mkcorp.com). Put "Income Tax Request" in the subject line. Ask for a summary of the CDS orders.

## Get a new Datebook

File your 2019 datebook with your 2019 tax records.

## Fill out this workbook and file

Once you complete this workbook, print it out and file with your other tax information.

# Year End Tax Worksheet

**Total Retail Sale** *(less tax)*

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**Commissions** *(4-13% checks, other prizes and commissions from 1099 form)*

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## EXPENSES INVOLVED WITH PURCHASES FROM THE COMPANY

Section 1 Wholesale Beginning Inventory *(on hand at the Beginning of the year)*

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Section 1 Wholesale Ending Inventory *(on hand at the End of the year)*

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Total Wholesale Purchases *(Section 1)*

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Purchases used for Personal Use *(Section 1 Wholesale)*

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Purchases used for Demo *(Section 1 Wholesale)*

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Sales Tax paid to Company on product purchases *(on printed sheet)*

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Freight charges on product orders

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Business Supplies *(Section 2)*

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Loss on Product *(Not paid by customer)*

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Hostess Gifts *(Section 1 - Deduct at Wholesale cost)*

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Non-Collected Sales Tax *(on gifts, discounts and personal use items)*

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Product Refunds *(at retail value)*

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## OTHER BUSINESS EXPENSES

Office Expenses

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Business Supplies *(includes magazines & publications)*

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Postage

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Advertising *(Preferred Customer Program enrollment)*

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Laundry for dry cleaning and business attire

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Labor

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Bank Service Charges

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*(Money orders, cashiers checks, credit card fees, checking charges)*

# Year End Tax Worksheet (continued)

## OTHER BUSINESS EXPENSES (CONTINUED)

Promotions and contest expenses \_\_\_\_\_

Meeting Expenses (*Workshops, conferences, Seminar, meeting fees*) \_\_\_\_\_

Interest paid on business loan or credit card for MK purchases \_\_\_\_\_

Entertainment and Meals (*Interviews, lunch meetings, meals while traveling, etc.*) \_\_\_\_\_

Purchases gifts for customers (*not from inventory*) \_\_\_\_\_

Cost of Career Apparel (*Directors Suit, Red Jacket*) \_\_\_\_\_

Obsolete products (*discarded at cost*) \_\_\_\_\_

Accountant Fees \_\_\_\_\_

Auto Expenses \_\_\_\_\_

Total business miles driven \_\_\_\_\_

Travel Expenses (*Plane, transportation, lodging, parking*) \_\_\_\_\_

Charitably donations \_\_\_\_\_

Office rent or depreciation \_\_\_\_\_

Phone \_\_\_\_\_

Utilities \_\_\_\_\_

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\*\* This worksheet was created by compiling multiple tax related documents created for Mary Kay consultants. It was not created by an accountant. Please reach out to a professional tax accountant with any business related tax questions.

