

## **Business Use of Your Home Course Summary**

### **WELCOME**

Summarizes topics and overall goals of course; explains how to navigate within course

### **INTRODUCTION**

Explains IRS definition of a home-based business, common exceptions, and forms used to report income, expenses, and deductions

### **DEDUCTIONS AND DEPRECIATION**

Describes direct, indirect, and other deductible business expenses and how to calculate them; explains 3 ways to recover business expenses (outright deduction, Section 179 deduction, and depreciation) and how they are usually used; explains MACRS depreciation, deduction limitations, and terms related to deductions and depreciation

### **TAX AVOIDANCE**

Explains what a tax avoidance scheme or scam is, how to recognize and report a scam, and what to do if you have erroneously reported tax deductions to which you were not entitled; includes discussion of the annual IRS Dirty Dozen scams

### **FORMS AND INSTRUCTIONS**

Shows and explains how to complete IRS Form 8829, Form 4562, and Schedule C (Form 1040)

### **CASE STUDY**

Introduces home-based business owner John Stevens; presents itemized lists of expenses and describes the decisions John has made relative to taxes; asks the learner to complete Form 8829, Form 4562, and Schedule C (Form 1040), using information from John's business

