

Worksheet 3: To Deduct Business Use of Car

Use this worksheet to collect all the information you'll need to deduct business use of your car, whether it's for your job or for your own business. If you're an employee, you fill out IRS Form 2106. If you're self-employed, this expense goes on your Schedule C. Both get filed with your Form 1040.

Vehicle make and model _____

Date first used for business _____

Fair market value or cost _____
(use cost if you bought the car this year, fair market value if you already had it)

Use this information for the standard mileage method:

Total miles all year _____

Total commuting miles _____

Total business miles _____
(commuting miles are getting to and from your job or place of business, business miles include all other business-related travel)

Total personal miles _____

Keep a detailed business mileage log to track all of your business miles

Gather the following information if you want to use your actual expenses instead of the standard mileage method:

Make sure you have detailed, dated receipts for these expenses

Gas and oil _____

Repairs and maintenance _____

Tires and supplies _____

Insurance _____

Lease payments (if applicable) _____

You can also deduct these expenses, whichever method you use:

Parking

Tolls

(Note: parking and traffic tickets are not tax deductible)