

Home Office Deductions

Overview

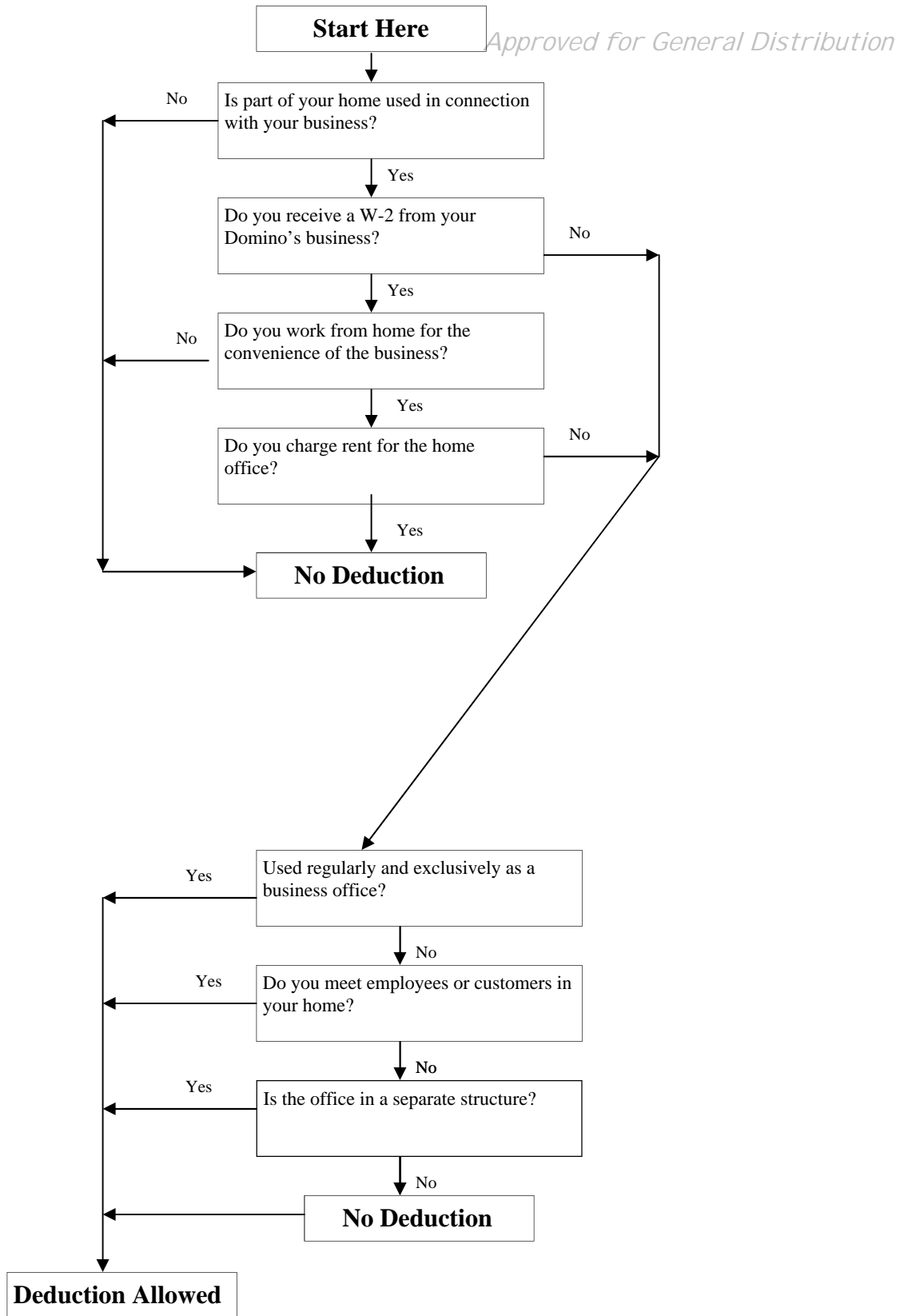
Store offices are often not suitable for administrative and managerial work. There is never enough desk or filing space. Many stores do not have web access. Store matters interrupt your concentration. Many of you need a separate location where you can conduct your office functions.

As part of Monterra's commitment to your success, we believe in providing you with the facts prior to tax time so you can spend the year maximizing your deductions. Over the next couple of weeks we will be posting articles pertaining to the home office so be sure to check back often!

We know a lot of you work out of your home and it is important to understand what the IRS considers a home office.

The following requirements are extracted and paraphrased from IRS Publication 587. (See the actual Publication for specific criteria you must meet in order to deduct your home office).

EXCLUSIVE USE	<ul style="list-style-type: none"> Defined as a specific location in your house used for the sole purpose of operating your business. It does not need to be a separate room, have a desk, computer or sign outside however; the space can not be used for both personal and business use. Using the office to do your personal finances or allowing your children to use the web access prevents claiming it as a home office
REGULAR USE	<ul style="list-style-type: none"> You must use a specific area of your home for business on a regular basis
PRINCIPAL PLACE OF BUSINESS	<ul style="list-style-type: none"> You use it exclusively and regularly for administrative or management activities of your trade or business You have no other fixed location where you conduct substantial administrative or management activities of your trade of business



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