

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. 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)*

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

EXPENSES INVOLVED WITH PURCHASES FROM THE COMPANY

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

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

Total Wholesale Purchases *(Section 1)*

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

Purchases used for Demo *(Section 1 Wholesale)*

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

Freight charges on product orders

Business Supplies *(Section 2)*

Loss on Product *(Not paid by customer)*

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

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

Product Refunds *(at retail value)*

OTHER BUSINESS EXPENSES

Office Expenses

Business Supplies *(includes magazines & publications)*

Postage

Advertising *(Preferred Customer Program enrollment)*

Laundry for dry cleaning and business attire

Labor

Bank Service Charges

(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 _____
