

“KISS” MK INCOME TAXES

AT THE END OF THE YEAR, CLOSE YOUR YEARLY BUSINESS BY DOING THE FOLLOWING:

1. Count and list on a “Consultant Order Form” all Section 1 products on your shelf. You may lump like things together rather than list every single formula or color separately. You do not have to count Section 2 items.
2. Pull all contents from your accordion file (see Kay’s “Organizational Tools”) and place contents from each category in individual mailing envelopes and label the outside. Place in a box/bag until you’re ready to do the final preparations.

PREPARING TAXES FOR YOUR CPA:

1. Go through all cancelled checks and match and staple to the receipts in each category. In case you’ve lost the receipt, you will have your check for a record.
2. Add contents of each category and place the totals on the outside of the envelope.
3. Take the packing sheets from each of your orders and add up the Freight Charges, Section 1 totals, and Section 2 totals. Write the totals on the front copy.
4. Take your “Bank Statements” from each month and add together the monthly Service Charges.

PROVIDE YOUR CPA WITH THE FOLLOWING:

1. All labeled envelopes with totals on front.
2. Last year’s tax return (if you were in Mary Kay).
3. Form 1099 sent to you by Mary Kay.
4. The card from Mary Kay stating wholesale purchases for the year . . . and packing sheets from each of your orders to the company.
5. Federal IRS Tax Return Package.
6. Date book with records of all business related appointments, sales meetings, workshops, travel, mileage, etc.
7. Two Mary Kay “Consultant Order Sheets”: One from the previous year’s ending inventory (if you were in Mary Kay) and this last year’s ending inventory.
8. Information for use of home as Mary Kay office:

Total Rent paid for year or purchase price of home	_____
Value of lot if purchasing home	_____
Date of purchase	_____
Cost of improvements to home:	
Before entering Mary Kay	_____
After entering Mary Kay	_____
Total sq. feet of living space in residence	_____
Total sq. feet used only as office space	_____
Total sq. feet used to store Mary Kay inventory, desk, etc.	_____
Total cost of all utilities for year	_____
9. Information for use of automobile in business:

Make, model and year of automobile	_____
Number of months auto was held for business use	_____
Total miles driven for months in Mary Kay	_____
Of total miles driven, how many were for Mary Kay business?	_____

(Make sure you have addresses for every business-related appointment, beginning and ending odometer readings and total miles driven on each Mary Kay day . . . then simply add the daily totals together to get the total miles for business.)