

**SCHEDULE C  
(Form 1040)**

**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

**2004**

Attachment  
Sequence No. **09**

Department of the Treasury  
Internal Revenue Service

► **Partnerships, joint ventures, etc., must file Form 1065 or 1065-B.**  
► **Attach to Form 1040 or 1041.** ► **See Instructions for Schedule C (Form 1040).**

Name of proprietor \_\_\_\_\_ Social security number (SSN) \_\_\_\_\_

**A** Principal business or profession, including product or service (see page C-2 of the instructions) **B** Enter code from pages C-7, 8, & 9

**C** Business name. If no separate business name, leave blank. **D** Employer ID number (EIN), if any

**E** Business address (including suite or room no.) ► \_\_\_\_\_  
City, town or post office, state, and ZIP code \_\_\_\_\_

**F** Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ► \_\_\_\_\_

**G** Did you "materially participate" in the operation of this business during 2004? If "No," see page C-3 for limit on losses  Yes  No

**H** If you started or acquired this business during 2004, check here

**Part I Income**

1	Gross receipts or sales. <b>Caution.</b> If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see page C-3 and check here <input type="checkbox"/>	1		
2	Returns and allowances	2		
3	Subtract line 2 from line 1	3		
4	Cost of goods sold (from line 42 on page 2)	4		
5	<b>Gross profit.</b> Subtract line 4 from line 3.	5		
6	Other income, including Federal and state gasoline or fuel tax credit or refund (see page C-3)	6		
7	<b>Gross income.</b> Add lines 5 and 6	7		

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

8	Advertising	8			19		
9	Car and truck expenses (see page C-3)	9			20		
10	Commissions and fees	10			20a		
11	Contract labor (see page C-4)	11			20b		
12	Depletion	12			21		
13	Depreciation and section 179 expense deduction (not included in Part III) (see page C-4)	13			22		
14	Employee benefit programs (other than on line 19)	14			23		
15	Insurance (other than health)	15			24		
16	Interest:				24a		
a	Mortgage (paid to banks, etc.)	16a					
b	Other	16b					
17	Legal and professional services	17			24b		
18	Office expense	18			24c		
19	Pension and profit-sharing plans	19			24d		
20	Rent or lease (see page C-5):				25		
a	Vehicles, machinery, and equipment	20a			26		
b	Other business property	20b			27		
21	Repairs and maintenance	21					
22	Supplies (not included in Part III)	22					
23	Taxes and licenses	23					
24	Travel, meals, and entertainment:						
a	Travel	24a					
b	Meals and entertainment						
c	Enter nondeductible amount included on line 24b (see page C-5)						
d	Subtract line 24c from line 24b	24d					
25	Utilities	25					
26	Wages (less employment credits)	26					
27	Other expenses (from line 48 on page 2)	27					
28	<b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27 in columns	28					
29	Tentative profit (loss). Subtract line 28 from line 7	29					
30	Expenses for business use of your home. Attach <b>Form 8829</b>	30					
31	<b>Net profit or (loss).</b> Subtract line 30 from line 29.	31					
	<ul style="list-style-type: none"> <li>• If a profit, enter on <b>Form 1040, line 12</b>, and also on <b>Schedule SE, line 2</b> (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.</li> <li>• If a loss, you <b>must</b> go to line 32.</li> </ul>						
32	If you have a loss, check the box that describes your investment in this activity (see page C-6).						
	<ul style="list-style-type: none"> <li>• If you checked 32a, enter the loss on <b>Form 1040, line 12</b>, and also on <b>Schedule SE, line 2</b> (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.</li> <li>• If you checked 32b, you <b>must</b> attach <b>Form 6198</b>.</li> </ul>				32a	<input type="checkbox"/>	All investment is at risk.
					32b	<input type="checkbox"/>	Some investment is not at risk.

Part III Cost of Goods Sold (see page C-6)

33 Method(s) used to value closing inventory:    a  Cost                      b  Lower of cost or market                      c  Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation . . . . .  Yes     No

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation . . . . .	35		
36 Purchases less cost of items withdrawn for personal use . . . . .	36		
37 Cost of labor. Do not include any amounts paid to yourself . . . . .	37		
38 Materials and supplies . . . . .	38		
39 Other costs . . . . .	39		
40 Add lines 35 through 39 . . . . .	40		
41 Inventory at end of year . . . . .	41		
42 Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on page 1, line 4 . . . . .	42		

Part IV Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 on page C-4 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ▶ ...../...../.....

44 Of the total number of miles you drove your vehicle during 2004, enter the number of miles you used your vehicle for:

a Business ..... b Commuting ..... c Other .....

45 Do you (or your spouse) have another vehicle available for personal use? . . . . .  Yes     No

46 Was your vehicle available for personal use during off-duty hours? . . . . .  Yes     No

47a Do you have evidence to support your deduction? . . . . .  Yes     No

b If "Yes," is the evidence written? . . . . .  Yes     No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

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48 Total other expenses. Enter here and on page 1, line 27 . . . . . 48