



**Lower
Manhattan
Cultural
Council**

EMPOWERING ARTISTS,
INVESTED IN COMMUNITY

ARTISTS SUMMER INSTITUTE

TAX & ACCOUNTING

4 POINTS TO REMEMBER ABOUT CLAIMING THE HOME OFFICE DEDUCTION

1. Generally, in order to claim a business deduction for your home, you must use part of your home exclusively and regularly:
 - a. As your principal place of business, or
 - b. As a place to meet or deal with patients, clients or customers in the normal course of your business, or
 - c. In the case of a separate structure, which is not attached to your home, it must be used in connection with your trade or business.
2. Generally, the amount you can deduct depends on the percentage of space in your home that you used for business. Your deduction for certain expenses will be limited if your gross income from your business is less than your total business expenses.
3. If you are self-employed, use Form 8829, Expenses for Business Use of Your Home, to figure your home office deduction. Report the deduction on line 30 of Schedule C, Form 1040.
4. Different rules apply to claiming the home office deduction if you are an employee. For example, the regular and exclusive business use must be for the convenience of your employer.