



C.J. (Carol) Ridders

Bookkeeping Services
209 Douglasbank Mews S.E.
Calgary, AB, T2Z 2J5

Business expenses that can be used:

- Advertising
- Bad Debts
- Benefit Plan – (see me for more information on this useful expense).
- Business taxes, fees, licenses, dues, memberships and subscriptions
- Delivery, freight and express
- Insurance
- Interest
- Maintenance and repairs
- Management and administration fees
- Meals and entertainment – used when you are entertaining a client – write name of client and reason for meeting on each receipt.
- Motor vehicle expenses
- Office expenses
- Supplies
- Legal, accounting and other professional fees
- Property taxes
- Rent
- Salaries, wages and benefits
- Travel
- Telephone and utilities (i.e. cell phone and portion of home phone if upgrades such as call forwarding were put on the phone for business purposes)

If you do not have an office in another location you can write off a portion of your home expenses. I will require the total square footage of the home and the square footage used for business.

- Heat
- Electricity
- Insurance
- Maintenance
- Mortgage interest – comes from the bank at the beginning of each year.
- Property taxes

Capital cost items:

These are items such as furniture and computers purchased to run your business. Only a percentage of capital cost allowance is used each year as an expense.

Vehicle expenses:

If you are a limited or incorporated company and you drive your personal vehicle for business purposes, keep a log of all kilometers driven for business and a calculation can be done monthly or yearly to recapture the amount as an expense. Currently the government allows 52¢ for the first 5000 kilometers and 46¢ for every kilometer after that. Let us say that you drove 6500 kilometers in the year to earn income. The calculation is $52¢ \times 5000 + 46¢ \times 1500 = 2,600.00 + 690.00 = \$3,290.00$ is the allowable motor vehicle expense.