

## SCHEDULE E WORKSHEET (RENTAL PROPERTY)

Type of Property: (Residential rental, duplex, commercial bldg, etc.): \_\_\_\_\_

Do you occupy any of the property? \_\_\_\_\_

Address of Property: \_\_\_\_\_

Total Rent Received in 2020: \_\_\_\_\_

Did you issue any 1099s to any Contractors? \_\_\_\_\_

| EXPENSE CATEGORY                         | DIRECT EXPENSE | INDIRECT EXPENSE |
|------------------------------------------|----------------|------------------|
| Advertising                              |                |                  |
| Cleaning & maintenance                   |                |                  |
| Commissions                              |                |                  |
| Insurance (property and PMI)             |                |                  |
| Legal & professional fees                |                |                  |
| Management fees                          |                |                  |
| Mortgage interest paid to banks          |                |                  |
| Other interest                           |                |                  |
| Repairs (not capital improvements)       |                |                  |
| Supplies (not equipment or improvements) |                |                  |
| Taxes (e.g.. real estate taxes)          |                |                  |
| Utilities                                |                |                  |
| Condo or association fees                |                |                  |
| Pest control                             |                |                  |
| Telephone                                |                |                  |
| Other expenses?                          |                |                  |

### Direct vs. Indirect Expenses

If 100% of the property is rented, then list expenses as direct expenses. If the property is split between rental and non-rental portion, then all expenses directly attributable to the rental portion (like fixing a tenant's bathroom) are direct expenses, and other expenses, like mortgage interest and real estate taxes, or indirect expenses that the software will allocate between Schedule E and Schedule A based on percentage of business use (i.e. rental portion).

## Capital Improvements & Installation of Equipment vs. Repairs and Supplies

Repairs and supplies are day-to-day items that generally cost below \$500. For example, if you spent \$100 on a plumber to unclog a toilet, that is a repair. If you replaced the whole toilet, it is a capital improvement (installation of new equipment). The purchase of a handful of tiles to replace cracked or water damaged tiles would qualify as supplies or repairs. Replacing an entire floor, or installing new carpeting, would be a capital improvement. General hardware items of low cost are supplies. Repairs and supplies are expensed in the year the expense is incurred. Equipment installation and other capital improvements are depreciated over their useful life. Please list equipment purchases and other capital improvements done in 2020.

| Type of Equipment or Capital Improvement | Date of Purchase | Purchase Price |
|------------------------------------------|------------------|----------------|
| _____                                    | _____            | _____          |
| _____                                    | _____            | _____          |
| _____                                    | _____            | _____          |
| _____                                    | _____            | _____          |
| _____                                    | _____            | _____          |