

Profit or (Loss) From Business or Profession

(Sole Proprietorship)

Partnerships, Joint Ventures, etc., Must File Form 1065.

1981
08

▶ Attach to Form 1040 or Form 1041. ▶ See Instructions for Schedule C (Form 1040).

Name of proprietor _____ Social security number of proprietor _____

A Main business activity (see Instructions) ▶ _____ ; product ▶ _____

B Business name ▶ _____ **C** Employer identification number _____

D Business address (number and street) ▶ _____
City, State and ZIP Code ▶ _____

E Accounting method: (1) Cash (2) Accrual (3) Other (specify) ▶ _____

F Method(s) used to value closing inventory:
(1) Cost (2) Lower of cost or market (3) Other (if other, attach explanation)

G Was there any major change in determining quantities, costs, or valuations between opening and closing inventory? . . .
If "Yes," attach explanation.

Yes	No

H Did you deduct expenses for an office in your home? . . .

Part I Income

1 a Gross receipts or sales	1a		
b Returns and allowances	1b		
c Balance (subtract line 1b from line 1a)	1c		
2 Cost of goods sold and/or operations (Schedule C-1, line 8)	2		
3 Gross profit (subtract line 2 from line 1c)	3		
4 a Windfall Profit Tax Credit or Refund received in 1981 (see Instructions)	4a		
b Other income (attach schedule)	4b		
5 Total income (add lines 3, 4a, and 4b)	5		

Part II Deductions

6 Advertising		29 a Wages	
7 Amortization		b Jobs credit	
8 Bad debts from sales or services		c WIN credit	
9 Bank service charges		d Total credits	
10 Car and truck expenses		e Subtract line 29d from 29a	
11 Commissions		30 Windfall Profit Tax withheld in 1981	
12 Depletion		31 Other expenses (specify):	
13 Depreciation (see Instructions)		a _____	
14 Dues and publications		b _____	
15 Employee benefit programs		c _____	
16 Freight (not included on Schedule C-1)		d _____	
17 Insurance		e _____	
18 Interest on business indebtedness		f _____	
19 Laundry and cleaning		g _____	
20 Legal and professional services		h _____	
21 Office supplies and postage		i _____	
22 Pension and profit-sharing plans		j _____	
23 Rent on business property		k _____	
24 Repairs		l _____	
25 Supplies (not included on Schedule C-1)		m _____	
26 Taxes (do not include Windfall Profit Tax, see line 30)		n _____	
27 Travel and entertainment		o _____	
28 Utilities and telephone		p _____	
32 Total deductions (add amounts in columns for lines 6 through 31p)	32		
33 Net profit or (loss) (subtract line 32 from line 5). If a profit, enter on Form 1040, line 11, and on Schedule SE, Part II, line 5a (or Form 1041, line 6). If a loss, go on to line 34	33		

34 If you have a loss, do you have amounts for which you are not "at risk" in this business (see Instructions)? . . . Yes No
If you checked "No," enter the loss on Form 1040, line 11, and on Schedule SE, Part II, line 5a (or Form 1041, line 6).

SCHEDULE C-1.—Cost of Goods Sold and/or Operations (See Schedule C Instructions for Part I, line 2)

1	Inventory at beginning of year (if different from last year's closing inventory, attach explanation)		1	
2	a Purchases	2a		
	b Cost of items withdrawn for personal use	2b		
	c Balance (subtract line 2b from line 2a)			2c
3	Cost of labor (do not include salary paid to yourself)		3	
4	Materials and supplies		4	
5	Other costs (attach schedule)		5	
6	Add lines 1, 2c, and 3 through 5		6	
7	Inventory at end of year		7	
8	Cost of goods sold and/or operations (subtract line 7 from line 6). Enter here and on Part I, line 2		8	

SCHEDULE C-2.—Depreciation (See Schedule C Instructions for line 13)

Complete Schedule C-2 if you claim depreciation ONLY for assets placed in service before January 1, 1981. If you need more space, use Form 4562. If you claim a deduction for any assets placed in service after December 31, 1980, use Form 4562 to figure your total deduction for all assets; do NOT complete Schedule C-2.

Description of property (a)	Date acquired (b)	Cost or other basis (c)	Depreciation allowed or allowable in prior years (d)	Method of computing depreciation (e)	Life or rate (f)	Depreciation for this year (g)
1 Depreciation (see Instructions):						
2 Totals					2	
3 Depreciation claimed in Schedule C-1					3	
4 Balance (subtract line 3 from line 2). Enter here and on Part II, line 13					4	

SCHEDULE C-3.—Expense Account Information (See Schedule C Instructions for Schedule C-3)

Enter information for yourself and your five highest paid employees. In determining the five highest paid employees, add expense account allowances to the salaries and wages. However, you don't have to provide the information for any employee for whom the combined amount is less than \$50,000, or for yourself if your expense account allowance plus line 33, page 1, is less than \$50,000.

Name (a)	Expense account (b)	Salaries and wages (c)
Owner		
1		
2		
3		
4		
5		

Did you claim a deduction for expenses connected with:	Yes	No
A Entertainment facility (boat, resort, ranch, etc.)?		
B Living accommodations (except employees on business)?		
C Conventions or meetings you or your employees attended outside the North American area? (see Instructions)		
D Employees' families at conventions or meetings?		
E Vacations for employees or their families not reported on Form W-2?		