

**SCHEDULE C-EZ  
(Form 1040)**

**Net Profit From Business  
(Sole Proprietorship)**

OMB No. 1545-0074

**2011**  
Attachment  
Sequence No. **09A**

Department of the Treasury  
Internal Revenue Service (99)

▶ **Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.**  
▶ **Attach to Form 1040, 1040NR, or 1041. ▶ See instructions on page 2.**

Name of proprietor

Social security number (SSN)

**Part I General Information**

**You May Use  
Schedule C-EZ  
Instead of  
Schedule C  
Only If You:**

- Had business expenses of \$5,000 or less.
- Use the cash method of accounting.
- Did not have an inventory at any time during the year.
- Did not have a net loss from your business.
- Had only one business as either a sole proprietor, qualified joint venture, or statutory employee.
- Did not receive any credit card or similar payments that included amounts that are not includible in your income (see instructions for line 1a).

**And You:**

- Had no employees during the year.
- Are not required to file **Form 4562**, Depreciation and Amortization, for this business. See the instructions for Schedule C, line 13, to find out if you must file.
- Do not deduct expenses for business use of your home.
- Do not have prior year unallowed passive activity losses from this business.

**A** Principal business or profession, including product or service

**B** Enter business code (see page 2)

**C** Business name. If no separate business name, leave blank.

**D** Enter your EIN (see page 2)

**E** Business address (including suite or room no.). Address not required if same as on page 1 of your tax return.

City, town or post office, state, and ZIP code

**F** Did you make any payments in 2011 that would require you to file Form(s) 1099? (see the Schedule C instructions)  **Yes**  **No**

**G** If "Yes," did you or will you file all required Forms 1099?  **Yes**  **No**

**Part II Figure Your Net Profit**

<b>1a</b> Merchant card and third party payments. For 2011, enter -0- . . . . .	<b>1a</b>			
<b>b</b> Gross receipts or sales not entered on line 1a (see instructions) . . . . .	<b>1b</b>			
<b>c</b> Income reported to you on Form W-2 if the "Statutory Employee" box on that form was checked. <b>Caution.</b> See Schedule C instructions before completing this line . . . . .	<b>1c</b>			
<b>d</b> Total of lines 1a, 1b, and 1c. If any adjustments to line 1a, you <b>must</b> use Schedule C (see instructions)	<b>1d</b>			
<b>2</b> <b>Total expenses</b> (see page 2). If more than \$5,000, you <b>must</b> use Schedule C . . . . .	<b>2</b>			
<b>3</b> <b>Net profit.</b> Subtract line 2 from line 1d. If less than zero, you <b>must</b> use Schedule C. Enter on both <b>Form 1040, line 12</b> , and <b>Schedule SE, line 2</b> , or on <b>Form 1040NR, line 13</b> and <b>Schedule SE, line 2</b> (see instructions). (If you entered an amount on line 1c, <b>do not</b> report the amount from line 1c on Schedule SE, line 2.) Estates and trusts, enter on <b>Form 1041, line 3</b> . . . . .	<b>3</b>			

**Part III Information on Your Vehicle.** Complete this part **only** if you are claiming car or truck expenses on line 2.

- 4** When did you place your vehicle in service for business purposes? (month, day, year) ▶ \_\_\_\_\_ .
- 5** Of the total number of miles you drove your vehicle during 2011, enter the number of miles you used your vehicle for:
- a** Business \_\_\_\_\_ **b** Commuting (see page 2) \_\_\_\_\_ **c** Other \_\_\_\_\_
- 6** Was your vehicle available for personal use during off-duty hours? . . . . .  **Yes**  **No**
- 7** Do you (or your spouse) have another vehicle available for personal use? . . . . .  **Yes**  **No**
- 8a** Do you have evidence to support your deduction? . . . . .  **Yes**  **No**
- b** If "Yes," is the evidence written? . . . . .  **Yes**  **No**

# Instructions



Before you begin, see General Instructions in the 2011 Instructions for Schedule C. Also, the IRS has created a page on [IRS.gov](http://IRS.gov) for information about Schedule C-EZ, at [www.irs.gov/scheduleez](http://www.irs.gov/scheduleez). Information about any future developments affecting Schedule C-EZ (such as legislation enacted after we released it) will be posted on that page.

You can use Schedule C-EZ instead of Schedule C if you operated a business or practiced a profession as a sole proprietorship or qualified joint venture, or you were a statutory employee and you have met all the requirements listed in Schedule C-EZ, Part I.

For more information on electing to be taxed as a qualified joint venture (including the possible social security benefits of this election), see *Husband-Wife Qualified Joint Venture* in the instructions for Schedule C. You can also go to [IRS.gov](http://IRS.gov), enter “qualified joint venture” in the search box, and select “Election for Husband and Wife Unincorporated Businesses.”

## Line A

Describe the business or professional activity that provided your principal source of income reported on lines 1a-1d. Give the general field or activity and the type of product or service.

## Line B

Enter the six-digit code that identifies your principal business or professional activity. See the instructions for Schedule C for the list of codes.

## Line D

Enter on line D the employer identification number (EIN) that was issued to you and in your name as a sole proprietor. If you are filing Form 1041, enter the EIN issued to the estate or trust. Do not enter your SSN. Do not enter another taxpayer’s EIN (for example, from any Forms 1099-MISC that you received). If you are the sole owner of a limited liability company (LLC), **do not** enter on line D the EIN issued to the LLC, if any. **If you do not have an EIN, leave line D blank.**

You need an EIN only if you have a qualified retirement plan or are required to file an employment, excise, alcohol, tobacco, or firearms tax return, are a payer of gambling winnings, or are filing Form 1041 for an estate or trust. If you need an EIN, see the Instructions for Form SS-4.

## Line E

Enter your business address. Show a street address instead of a box number. Include the suite or room number, if any.

## Line F

See the instructions for line I in the instructions for Schedule C to help determine if you are required to file any Forms 1099.

## Line 1a–1d

For 2011, the IRS has deferred the requirement to report the amount of merchant card and third party network payments received. Therefore, enter zero on line 1a and report all gross receipts on line 1b, including income reported to you on Form 1099-K. Also include on line 1b amounts you received in your trade or business that were properly shown on Form 1099-MISC. If the total amounts that were reported in box 7 of Forms 1099-MISC are more than the total you are reporting on line 1b, attach a statement explaining the difference. You must show all items of taxable income actually or constructively received during the year (in cash, property, or services). Income is constructively received when it is credited to your account or set aside for you to use. Do not offset this amount by any losses.

You may not enter amounts on both lines 1b and 1c of Schedule C-EZ; if both lines apply, you may not file Schedule C-EZ and must report each amount on a separate Schedule C.

## Line 2

Enter the total amount of all deductible business expenses you actually paid during the year. Examples of these expenses include advertising, car and truck expenses, commissions and fees, insurance, interest, legal and professional services, office expenses, rent or lease expenses, repairs and maintenance, supplies, taxes, travel, the allowable percentage of business meals and entertainment, and utilities (including telephone). For details, see the instructions for Schedule C, Parts II and V. You can use the optional worksheet below to record your expenses. Enter on lines **b** through **f** the type and amount of expenses not included on line **a**.

If you claim car or truck expenses, be sure to complete Schedule C-EZ, Part III.

## Line 3

Nonresident aliens using Form 1040NR should also enter the total on Schedule SE, line 2, if you are covered under the U.S. social security system due to an international social security agreement currently in effect. See the Schedule SE instructions for information on international social security agreements.

## Line 5b

Generally, commuting is travel between your home and a work location. If you converted your vehicle during the year from personal to business use (or vice versa), enter your commuting miles only for the period you drove your vehicle for business. For information on certain travel that is considered a business expense rather than commuting, see the Instructions for Form 2106.

### Optional Worksheet for Line 2 (keep a copy for your records)

<b>a</b>	Deductible meals and entertainment (see the instructions for Schedule C, line 24b) . . . . .	<b>a</b>		
<b>b</b>	-----	<b>b</b>		
<b>c</b>	-----	<b>c</b>		
<b>d</b>	-----	<b>d</b>		
<b>e</b>	-----	<b>e</b>		
<b>f</b>	-----	<b>f</b>		
<b>g</b>	<b>Total.</b> Add lines <b>a</b> through <b>f</b> . Enter here and on line 2 . . . . .	<b>g</b>		