



# THE TIME-SPACE PERCENTAGE CRIB SHEET

The Time-Space Percentage is the single most important number to calculate for your business



## The Time-Space Formula to follow:

# of Hours Home  
Used for Business

# of Square Feet of Home  
Used in Business

Total # of Hours  
In a Year

Total # of Square  
Feet in Home

= **Time-Space  
Percentage**



## Use this formula to allocate business use of shared business and personal expenses such as:

House Repairs and Maintenance  
Property Tax  
Utilities  
Home Improvements  
Household Supplies & Toys  
Personal Property Depreciations:  
Excluding computer, TV, VCR, radio, tape recorder, piano, etc.

House Depreciation  
Mortgage Interest  
House Insurance  
Land Improvements



Deduct all expenses that are designated "ordinary & necessary" to your business. Many child care providers are working outside - and you should take inventory of what qualifies as deductible. Keep receipts - and call me if you have questions.

Awnings  
Cement work on a driveway or walkway around your home  
Deck  
Doorbell  
Fence  
Flowers  
Garage door opener  
Gutters and drain pipes  
House siding  
Lawn mowing/maintenance service  
Lawn sprinkler system  
Patio  
Security system  
Stair/deck railings  
Storm or screen windows  
Termite and other pest control  
Tool shed  
Yard tools (rake, shovel, wheelbarrow, etc.)

**Note:** Instead of using the Time-Space Percentage, you may allocate business use for the above items by calculating actual business use, if you can document your calculation.

**Note:** Not every outdoor expense is deductible. If you don't use something in your business you can't deduct it. Save your receipts! It is likely that *at least part* of the expense will be deductible.

If an item is used 100% for your business, deduct 100% of the cost.

If it's used for business and personal purposes, use the Time-Space formula.

*Keep it real. If it's only used for personal purposes, don't deduct any of it.*