

OVER-THE-ROAD TRUCKER EXPENSES LIST

AIR FARE _____
AIR FRESHNER _____
ALARM CLOCK _____
ANTENNA _____
ARMOUR-ALL _____
ATM FEES _____
ATLAS _____
AUTO MILEAGE _____
BATTERIES _____
BEDROLL _____
BEN GAY _____
BOOTS (STEEL-TOED) _____
BOOTS (WORK RUBBER) _____
BOOT REPAIR _____
BRIEFCASE _____
BROOM & DUSTPAN _____
BUFFER TO SHINE _____
BUNK HEATERS & FAN _____
BUS FARE _____
CAB FARE _____
CAB CURTAINS _____
CALCULATOR _____
CAMERA(S) _____
CAR RENTAL _____
CB RADIO _____
CB REPAIR _____
CDL DRIVER LICENSE _____
CELLULAR/WIRELESS FEES _____
CELLULAR PHONE _____
CHECK CASHING FEES _____
CIGARETTE PLUGS _____
CIRCUIT TESTER _____
CLAIMS FOR DAMAGES _____
CLEANING SUPPLIES _____
CLIP BOARD _____
COFFEE MAKER _____
COMCHECK FEES _____
COOLER/COOLER MOTOR _____
COPIES _____
CREDIT CARD CHARGES _____
CREDIT REPORTS _____
CROWBAR _____
DE-ICER _____
DE-GREASER _____
DECONTAMINATION _____
DISINFECTANT _____
DRY CLEANING _____
DOT PHYSICAL _____
DUCT TAPE _____
ELECTRICAL TAPE _____
ETHER _____
EYEWARE, SUNGLASSES _____
FAN CLAMPS _____
FAXES & FEES _____
FILM DEVELOPMENT _____
FILM FOR CAMERA _____
FIRST AID SUPPLES _____
FLAGS _____
FLARES _____
FLASHLIGHTS _____

FLY SWATTER _____
GATORADE (HYDRATION) _____
HAND CLEANER _____
HANGERS _____
HARD HAT _____
HAZMAT GEAR _____
HEARING AIDS _____
ICE _____
JACK STRAPS _____
LAP DESK _____
LAUNDRY BAG _____
LAUNDRY SOAP _____
LIQUID PAPER _____
LOAD CHAINS _____
LOCKS _____
LODGING _____
LOG BOOKS _____
LOG BOOK COVERS _____
LOT LIZARD REPELLENTS _____
MAGNIFYING GLASS _____
LUMPER FEES _____
MAGNIFYING GLASS _____
MAPS _____
MAP LAMP _____
MONITORS OF CAMERAS _____
MONEY ORDER FEES _____
NOTEBOOK PAPER _____
OFFICE SUPPLIES _____
PAPER TOWELS _____
PENS & PENCILS _____
PILLOWS _____
PORTABLE VACUUM _____
POWER BOOSTERS _____
POWER CORDS _____
RAIN GEAR _____
RAZORS _____
READING GLASSES _____
REFRIGERATOR _____
SAFETY DEVICES _____
SAFETY GLASSES _____
SAUCE PANS _____
SEAT COVERS _____
SEWING KIT _____
SHAVING TOTE _____
SHEETS & LINENS _____
SHIF GRIP _____
SHOWERS _____
SIGNAGE EXPENSE _____
STAPLES & STAPLER _____
SUNGLASSES _____
TARPS _____
THERMAL UNDERWEAR _____
THERMOS BOTTLE _____
TIRE IRON _____
TISSUES _____
TOASTER _____
TOILETRIES _____
TOOLS _____
TOWELS _____

_____ TRASH BAGS _____
_____ TRAVEL BAGS _____
_____ TUPPERWARE _____
_____ UNIFORMS _____
_____ UNIFORMS ALTERATIONS _____
_____ VASALINE _____
_____ VISINE _____
_____ WRIST WATCH _____
_____ WD-40 _____
_____ WINDOW SCREEN _____
_____ WORK GLOVES _____
_____ Z BIG QUESTIONS: _____

MEALS/INCIDENTALS
("ME&I" via CONUS)*www.gsa.gov
*CONUS ME&I PER DIEMS: _____
REIMBURSEMENTS FOR ME & I _____
HOTELS/MOTELS PAID _____

TRACTOR-SPECIFIC

CLEANING & DETAILING _____
GPS SYSTEMS _____
FINANCE CHARGES _____
FUELS & FLUIDS _____
FUELS TAXES _____
INSURANCE _____
MAINTENANCE, PARTS & REPAIRS _____
PARKING FEES _____
PORTABLE RADIO _____
PORTABLE TELEVISION _____
RADIO EQUIPMENT & ACCESSORIES _____
REEFER FUELS _____
ROAD USE TAXES (FORM 2290) _____
STATE ROAD USE TAXES PAID _____
STORAGE _____
_____ TIRES & RIMS PURCHASES _____
_____ TOLLS _____
_____ TOWING _____
_____ WASHING & WAXING _____
_____ WEATHER-TRACKING SYSTEMS _____
_____ WEIGHT CHARGES & FEES _____
_____ OTHER: _____
_____ OVERNIGHTS FOR YEAR (PER LOGBOOK) _____

DEDUCTION of TRAVEL EXPENSES, INCLUDING D.O.T. EMPLOYEES

THE BASIC RULES:

(1) Keep all receipts, including those point of sale receipts, (2) pay all bills with a check or debit (or credit) card, and (3) anything you pay cash for without a detailed receipt or bill of sale is treated as a non-deductible personal expense, not a business income deduction. In 2007, I've found that cash receipts are 100% useless, and I don't LIKE to permit my clients to claim them anymore for tax audit defense purposes...because I know better as do most of my clients. This holds true also for any and all charitable contributions.

SOLE PROPRIETORS:

As a sole proprietor (unincorporated legal business entity) you are simply subject to inferior deductions availability because you are not classified as a "D.O.T. Employee" since you do not earn W-2 wages but are self-employed. It is essential that you keep all receipts for your business and keep them organized into all appropriate categories for your year-end tax return. Reason: You may only claim what you can prove you spent through your own resources ("borrowed" cash receipts won't do anything but irritate the IRS auditors). It is also an intelligent idea to make those obligatory and statutory quarterly estimated Form 1040ES payments each and every quarter to vastly reduce the chances of being perpetually audited by the IRS when you don't do so.

D.O.T. EMPLOYEES:

If you meet the criteria as a "D.O.T. EMPLOYEE" that means you (1) get a W-2 each year from your employer(s) and (2) are subject to the special provisions allowed by IRS regulations as to your lodging, meals-incidentals-entertainment (MI&E) CONUS per diem rates. If you receive "allowances" for your per diem as a DOT employee it is essential that you also claim entirely those funds when calculating your Employee Business Expense deductions...if you don't claim those reimbursements you have a definite problem with IRS, perhaps for years to come...federal regulations now require such "non-accountable" reimbursements be included in your W-2 figures.

DEDUCTIONS and CREDITS for DRIVERS:

If you are indeed an employee-driver, such as a bus driver, taxicab driver, or truck driver (the main focus of this document), you may have received Form W-2, *Wage and Tax Statement*, for income from wages you receive as an employee. If you received a Form W-2 and the "Statutory employee" check box in Box 13 is marked, report that income on Schedule C, *Profit and Loss from Business*. Statutory employees include also certain agent or commission drivers. Make certain BOTH YOU AND YOUR EMPLOYER (and mutual benefits to the driver and to the employer) of treating you as a "Statutory employee."

If you are a self-employed (unincorporated) driver or treated as an independent contractor (no W-2 or a W-2 marked "Statutory employee"), report all your income on Schedule C. You may account for self-employment income yourself and/or you may receive Form 1099-MISC, *Miscellaneous Income*. Also, any tips you receive, such as tips received as a taxicab driver, or bonuses received as a truck driver in cash, are taxable income. And the sale of any of your equipment or work-related purchases also constitute taxable income (i.e.: sales of tires, radios, etc.).

If you are self-employed (unincorporated) and your net earnings after all legitimate deductions are taken are \$400 or more, you must pay self-employment tax on the income you report on Schedule C (currently at a rate of 15.30% (i.e.: \$153.00 per \$1,000) before adjustment on the front of your 1040 tax return); plus federal income taxes.

You may be able to reduce your taxes by deducting un-reimbursed, work-related expenses (such as those on the first page of this document, which is, by the way, not an exhaustive list and is subject to improvement and change). If you are an employee, these expenses may be claimed as miscellaneous *Itemized Deductions* on Schedule A, *Itemized Deductions*. If they are attributable to being a qualified statutory employee or to your being self-employed, they may be deductible on Schedule C. You should keep receipts to substantiate each and every one of these claimed deductible expenses **for at least four years** after filing your tax return each year.

Other expenses related to truck drivers in particular do include things like cargo losses and damage claims if cargo costs were included in income and pay to other drivers who assist you with your job. If these drivers are your employees (instead of independent contractors), you may be (and are likely to be) responsible for paying employment taxes, such as Social Security tax (currently 6.20%), Medicare tax (currently 1.45%) and federal unemployment tax (currently scheduled generally at .008% of the first \$7,000 (\$56 maximum if you meet the credit

requirements) of earnings each year). And remember also that other matters concerning workmen's compensation, liability insurance, state taxes (including unemployment taxes) and other matters relating to earnings in your particular type of work and the state(s) in which you operate.

When determining passenger vehicle expenses, you cannot use, under current IRS rules and regulations, the standard mileage rate (which is 48.5 cents per mile for 2007 and 50.5 cents per mile for 2008) for vehicles used for hire such as taxicab, bus or tractor (over-the-road trucks). **Only actual passenger vehicle operating expenses are permitted to be claimed and deducted from taxable income or you must use the alternative stated rates per mile, but not both!**

Particular vehicle types, their specific use, percentage of business use and whose name the vehicle is legally titled in all have bearing on how to claim and depreciate the vehicle. For example: **An 18-wheeler is 3-year property and may possibly be expensed entirely in the first year of operation** if the vehicle is used by the lawful owner...unless the vehicle is in a leased or leased-to-own property situation.

Per diem information can easily be obtained online at:

http://www.taxalmanac.org/index.php/Discussion:Truck_Drivers_Per_Diem or at <http://www.gsa.gov>

and inquire about both 1) PER DIEMS and 2) CONUS for latest data and charts for specific areas. Note: the Per Diem rates are not constant and are calculated on basis of federal fiscal year beginning October 1st through following year September 30th. Discuss these issues with your tax advisor each and every year for best results!

Hope this all helps you deal with your travel expenses. You can also download further information from the IRS at www.irs.gov and then review the instructions for Form 2106 (Employee Business Expenses) and related topics.