



## Richland County Business Service Center

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# Audit Survey of Business Circumstances

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Please complete the survey below to help us better understand the financial nature of your business so we may strive to ensure that your audit is as accurate as possible. Please return this form along with your other financial documents.

Please PRINT LEGIBLY.

### Business Information

Business Name: \_\_\_\_\_

Name as seen by the public: \_\_\_\_\_

Physical Location of the business: \_\_\_\_\_

### Financial Overview

Do you use a separate accounting person or company?     Yes     No

If yes, name phone number, and e-mail address: \_\_\_\_\_

When does the business' financial year begin:     Jan. 1     July 1     Other \_\_\_\_\_

Does the business have a business bank account?     Yes, at \_\_\_\_\_     No

Is this business: owned/operated by more than one member of a family?     Yes - # \_\_\_\_\_     No

Financial Software used:     QuickBooks     Other \_\_\_\_\_

None

### Operational Overview

Hours of Operation:    Sun.: \_\_\_\_\_    Thurs.: \_\_\_\_\_

Mon.: \_\_\_\_\_    Fri.: \_\_\_\_\_

Tues.: \_\_\_\_\_    Sat.: \_\_\_\_\_

Wed.: \_\_\_\_\_

# of FT employees: \_\_\_\_\_    # of PT employees: \_\_\_\_\_    # of contractors: \_\_\_\_\_

### Business Expenses Overview

Monthly payroll expense: \$ \_\_\_\_\_

Monthly rent: \$ \_\_\_\_\_

Average Monthly Utilities: Water: \$ \_\_\_\_\_ Electricity: \$ \_\_\_\_\_  
Sewer: \$ \_\_\_\_\_ Natural Gas: \$ \_\_\_\_\_

Average Monthly Cost of Goods (cost of products purchased monthly to operate the business):  
\$ \_\_\_\_\_

Sum of other regular monthly costs not listed above: \$ \_\_\_\_\_

Describe these costs: \_\_\_\_\_  
\_\_\_\_\_

Total average monthly cost for operating the business: \$ \_\_\_\_\_

### **Business Certification**

I hereby certify that all information provided in this survey is true and correct to the best of my knowledge.

Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

For the year Jan. 1–Dec. 31, 2016, or other tax year beginning \_\_\_\_\_, 2016, ending \_\_\_\_\_, 20

Your first name and initial \_\_\_\_\_ Last name \_\_\_\_\_ See separate instructions.  
**Your social security number** \_\_\_\_\_

If a joint return, spouse's first name and initial \_\_\_\_\_ Last name \_\_\_\_\_  
**Spouse's social security number** \_\_\_\_\_

Home address (number and street). If you have a P.O. box, see instructions. \_\_\_\_\_ Apt. no. \_\_\_\_\_  
**▲ Make sure the SSN(s) above and on line 6c are correct.**

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). \_\_\_\_\_  
**Presidential Election Campaign**  
 Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.  You  Spouse

Foreign country name \_\_\_\_\_ Foreign province/state/county \_\_\_\_\_ Foreign postal code \_\_\_\_\_

**Filing Status**

1  Single  
 2  Married filing jointly (even if only one had income)  
 3  Married filing separately. Enter spouse's SSN above and full name here. ▶ \_\_\_\_\_  
 4  Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶ \_\_\_\_\_  
 5  Qualifying widow(er) with dependent child

Check only one box.

**Exemptions**

6a  Yourself. If someone can claim you as a dependent, do not check box 6a . . . . .  
 b  Spouse . . . . .

c Dependents:		(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)
(1) First name	Last name			
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

If more than four dependents, see instructions and check here

d Total number of exemptions claimed . . . . .

**Boxes checked on 6a and 6b** \_\_\_\_\_  
**No. of children on 6c who:**  
 • lived with you \_\_\_\_\_  
 • did not live with you due to divorce or separation (see instructions) \_\_\_\_\_  
**Dependents on 6c not entered above** \_\_\_\_\_  
**Add numbers on lines above** ▶

**Income**

7	Wages, salaries, tips, etc. Attach Form(s) W-2 . . . . .	7	
8a	Taxable interest. Attach Schedule B if required . . . . .	8a	
b	Tax-exempt interest. Do not include on line 8a . . . . .	8b	
9a	Ordinary dividends. Attach Schedule B if required . . . . .	9a	
b	Qualified dividends . . . . .	9b	
10	Taxable refunds, credits, or offsets of state and local income taxes . . . . .	10	
11	Alimony received . . . . .	11	
12	Business income or (loss). Attach Schedule C or C-EZ . . . . .	12	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/> . . . . .	13	
14	Other gains or (losses). Attach Form 4797 . . . . .	14	
15a	IRA distributions . . . . .	15a	
b	Taxable amount . . . . .	15b	
16a	Pensions and annuities . . . . .	16a	
b	Taxable amount . . . . .	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E . . . . .	17	
18	Farm income or (loss). Attach Schedule F . . . . .	18	
19	Unemployment compensation . . . . .	19	
20a	Social security benefits . . . . .	20a	
b	Taxable amount . . . . .	20b	
21	Other income. List type and amount _____ . . . . .	21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your <b>total income</b> ▶ . . . . .	22	

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.  
 If you did not get a W-2, see instructions.

**Adjusted Gross Income**

23	Educator expenses . . . . .	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ . . . . .	24	
25	Health savings account deduction. Attach Form 8889 . . . . .	25	
26	Moving expenses. Attach Form 3903 . . . . .	26	
27	Deductible part of self-employment tax. Attach Schedule SE . . . . .	27	
28	Self-employed SEP, SIMPLE, and qualified plans . . . . .	28	
29	Self-employed health insurance deduction . . . . .	29	
30	Penalty on early withdrawal of savings . . . . .	30	
31a	Alimony paid b Recipient's SSN ▶ _____ . . . . .	31a	
32	IRA deduction . . . . .	32	
33	Student loan interest deduction . . . . .	33	
34	Tuition and fees. Attach Form 8917 . . . . .	34	
35	Domestic production activities deduction. Attach Form 8903 . . . . .	35	
36	Add lines 23 through 35 . . . . .	36	
37	Subtract line 36 from line 22. This is your <b>adjusted gross income</b> ▶ . . . . .	37	

Tax and Credits

38 Amount from line 37 (adjusted gross income)
39a Check [ ] You were born before January 2, 1952, [ ] Blind. Total boxes checked 39a
if: [ ] Spouse was born before January 2, 1952, [ ] Blind.
b If your spouse itemizes on a separate return or you were a dual-status alien, check here 39b

Standard Deduction for -

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.
• All others: Single or Married filing separately, \$6,300
Married filing jointly or Qualifying widow(er), \$12,600
Head of household, \$9,300

40 Itemized deductions (from Schedule A) or your standard deduction (see left margin)
41 Subtract line 40 from line 38
42 Exemptions. If line 38 is \$155,650 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instructions
43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-
44 Tax (see instructions). Check if any from: a [ ] Form(s) 8814 b [ ] Form 4972 c [ ]
45 Alternative minimum tax (see instructions). Attach Form 6251
46 Excess advance premium tax credit repayment. Attach Form 8962
47 Add lines 44, 45, and 46
48 Foreign tax credit. Attach Form 1116 if required
49 Credit for child and dependent care expenses. Attach Form 2441
50 Education credits from Form 8863, line 19
51 Retirement savings contributions credit. Attach Form 8880
52 Child tax credit. Attach Schedule 8812, if required.
53 Residential energy credits. Attach Form 5695
54 Other credits from Form: a [ ] 3800 b [ ] 8801 c [ ]
55 Add lines 48 through 54. These are your total credits
56 Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-

Other Taxes

57 Self-employment tax. Attach Schedule SE
58 Unreported social security and Medicare tax from Form: a [ ] 4137 b [ ] 8919
59 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required
60a Household employment taxes from Schedule H
b First-time homebuyer credit repayment. Attach Form 5405 if required
61 Health care: individual responsibility (see instructions) Full-year coverage [ ]
62 Taxes from: a [ ] Form 8959 b [ ] Form 8960 c [ ] Instructions; enter code(s)
63 Add lines 56 through 62. This is your total tax

Payments

If you have a qualifying child, attach Schedule EIC.

64 Federal income tax withheld from Forms W-2 and 1099
65 2016 estimated tax payments and amount applied from 2015 return
66a Earned income credit (EIC)
b Nontaxable combat pay election 66b
67 Additional child tax credit. Attach Schedule 8812
68 American opportunity credit from Form 8863, line 8
69 Net premium tax credit. Attach Form 8962
70 Amount paid with request for extension to file
71 Excess social security and tier 1 RRTA tax withheld
72 Credit for federal tax on fuels. Attach Form 4136
73 Credits from Form: a [ ] 2439 b [ ] Reserved c [ ] 8885 d [ ]
74 Add lines 64, 65, 66a, and 67 through 73. These are your total payments

Refund

Direct deposit? See instructions.

75 If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid
76a Amount of line 75 you want refunded to you. If Form 8888 is attached, check here
b Routing number
c Type: [ ] Checking [ ] Savings
d Account number
77 Amount of line 75 you want applied to your 2017 estimated tax

Amount You Owe

78 Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions
79 Estimated tax penalty (see instructions)

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [ ] Yes. Complete below. [ ] No
Designee's name Phone no. Personal identification number (PIN)

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions. Keep a copy for your records.

Your signature Date Your occupation Daytime phone number
Spouse's signature. If a joint return, both must sign. Date Spouse's occupation If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Paid Preparer Use Only

Print/Type preparer's name Preparer's signature Date Check [ ] if self-employed PTIN
Firm's name Firm's EIN
Firm's address Phone no.

**SCHEDULE C  
(Form 1040)**

**Profit or Loss From Business  
(Sole Proprietorship)**

OMB No. 1545-0074

**2016**  
Attachment  
Sequence No. **09**

Department of the Treasury  
Internal Revenue Service (99)

► **Information about Schedule C and its separate instructions is at [www.irs.gov/schedulec](http://www.irs.gov/schedulec).**  
► **Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.**

Name of proprietor		Social security number (SSN)
<b>A</b> Principal business or profession, including product or service (see instructions)	<b>B</b> Enter code from instructions	
<b>C</b> Business name. If no separate business name, leave blank.	<b>D</b> Employer ID number (EIN), (see instr.)	
<b>E</b> Business address (including suite or room no.) ► City, town or post office, state, and ZIP code		
<b>F</b> Accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ►		
<b>G</b> Did you "materially participate" in the operation of this business during 2016? If "No," see instructions for limit on losses <input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>H</b> If you started or acquired this business during 2016, check here <input type="checkbox"/>		
<b>I</b> Did you make any payments in 2016 that would require you to file Form(s) 1099? (see instructions) <input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>J</b> If "Yes," did you or will you file required Forms 1099? <input type="checkbox"/> Yes <input type="checkbox"/> No		

**Part I Income**

<b>1</b> Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked <input type="checkbox"/>	<b>1</b>		
<b>2</b> Returns and allowances	<b>2</b>		
<b>3</b> Subtract line 2 from line 1	<b>3</b>		
<b>4</b> Cost of goods sold (from line 42)	<b>4</b>		
<b>5</b> <b>Gross profit.</b> Subtract line 4 from line 3	<b>5</b>		
<b>6</b> Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	<b>6</b>		
<b>7</b> <b>Gross income.</b> Add lines 5 and 6	<b>7</b>		

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

<b>8</b> Advertising	<b>8</b>			<b>18</b> Office expense (see instructions)	<b>18</b>		
<b>9</b> Car and truck expenses (see instructions)	<b>9</b>			<b>19</b> Pension and profit-sharing plans	<b>19</b>		
<b>10</b> Commissions and fees	<b>10</b>			<b>20</b> Rent or lease (see instructions):			
<b>11</b> Contract labor (see instructions)	<b>11</b>			<b>a</b> Vehicles, machinery, and equipment	<b>20a</b>		
<b>12</b> Depletion	<b>12</b>			<b>b</b> Other business property	<b>20b</b>		
<b>13</b> Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	<b>13</b>			<b>21</b> Repairs and maintenance	<b>21</b>		
<b>14</b> Employee benefit programs (other than on line 19)	<b>14</b>			<b>22</b> Supplies (not included in Part III)	<b>22</b>		
<b>15</b> Insurance (other than health)	<b>15</b>			<b>23</b> Taxes and licenses	<b>23</b>		
<b>16</b> Interest:				<b>24</b> Travel, meals, and entertainment:			
<b>a</b> Mortgage (paid to banks, etc.)	<b>16a</b>			<b>a</b> Travel	<b>24a</b>		
<b>b</b> Other	<b>16b</b>			<b>b</b> Deductible meals and entertainment (see instructions)	<b>24b</b>		
<b>17</b> Legal and professional services	<b>17</b>			<b>25</b> Utilities	<b>25</b>		
<b>18</b> Total expenses before expenses for business use of home. Add lines 8 through 27a	<b>18</b>			<b>26</b> Wages (less employment credits)	<b>26</b>		
<b>19</b> Tentative profit or (loss). Subtract line 18 from line 7	<b>19</b>			<b>27a</b> Other expenses (from line 48)	<b>27a</b>		
<b>20</b> Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). <b>Simplified method filers only:</b> enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	<b>20</b>			<b>27b</b> Reserved for future use	<b>27b</b>		
<b>21</b> Net profit or (loss). Subtract line 20 from line 19.	<b>21</b>			<b>28</b> Total expenses before expenses for business use of home. Add lines 8 through 27a	<b>28</b>		
• If a profit, enter on both <b>Form 1040, line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> .				<b>29</b> Tentative profit or (loss). Subtract line 28 from line 7	<b>29</b>		
• If a loss, you <b>must</b> go to line 32.				<b>30</b> Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). <b>Simplified method filers only:</b> enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	<b>30</b>		
<b>22</b> If you have a loss, check the box that describes your investment in this activity (see instructions).				<b>31</b> Net profit or (loss). Subtract line 30 from line 29.	<b>31</b>		
• If you checked 32a, enter the loss on both <b>Form 1040, line 12</b> , (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> .				• If a profit, enter on both <b>Form 1040, line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> .			
• If you checked 32b, you <b>must</b> attach <b>Form 6198</b> . Your loss may be limited.				• If a loss, you <b>must</b> go to line 32.			
				<b>32a</b> <input type="checkbox"/> All investment is at risk.			
				<b>32b</b> <input type="checkbox"/> Some investment is not at risk.			



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

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

OMB No. 1545-0074

**2016**  
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,

**And You:**

- Had no employees during the year,
- Do not deduct expenses for business use of your home,
- Do not have prior year unallowed passive activity losses from this business, and
- 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.

**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 2016 that would require you to file Form(s) 1099? (see the Instructions for Schedule C)

Yes  No

**G** If "Yes," did you or will you file required Forms 1099?

Yes  No

**Part II Figure Your Net Profit**

<b>1</b>	<b>Gross receipts. Caution:</b> If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see <i>Statutory employees</i> in the instructions for Schedule C, line 1, and check here	<input type="checkbox"/>	<b>1</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 1. 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 page 2). (Statutory employees <b>do not</b> report this amount 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 2016, 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

**Future developments.** For the latest information about developments related to Schedule C-EZ (Form 1040) and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/scheduleez](http://www.irs.gov/scheduleez).



*Before you begin, see General Instructions in the 2016 Instructions for Schedule C.*

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 *Qualified Joint Venture* in the Instructions for Schedule C. You can also go to [IRS.gov](http://IRS.gov) and enter “qualified joint venture” in the search box.

### Line A

Describe the business or professional activity that provided your principal source of income reported on line 1. 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 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.

**Single-member LLCs.** If you are the sole owner of an LLC that is not treated as a separate entity for federal income tax purposes, enter on line D the EIN that was issued to the LLC (in the LLC’s legal name) for a qualified retirement plan, to file employment, excise, alcohol, tobacco, or firearms returns, or as a payer of gambling winnings. **If you do not have such an EIN, leave line D blank.**

### 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 Schedule C, line I, to help determine if you are required to file any Forms 1099.

### Line 1

Enter gross receipts from your trade or business. Include 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 1, 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. Don’t offset this amount by any losses.

### 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 Instructions for Schedule SE 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>		





## Richland County Business Service Center

2020 Hampton Street, Suite 1050  
P.O. Box 192  
Columbia, SC 29202

Phone: (803) 576-2287  
Fax: (803) 576-2289  
[bsc@rcgov.us](mailto:bsc@rcgov.us)  
<http://www.rcgov.us/bsc>

# Red Flags for Audits

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## Revenues

1. businesses with revenues outside the normal revenue range of similar type businesses
2. businesses earning gross revenues with exact amounts to nearest hundred dollars or greater
  - a. businesses reporting exact \$100,000's of more interest than lesser revenues
3. business talks too much and gives conflicting stories
4. businesses requesting refunds
5. new businesses (businesses less than three years old)
6. businesses earning less gross revenue than previous year
7. businesses with zeros of zero income followed by a sudden appearance of income
8. businesses claiming deductions
9. businesses claiming an exemption
10. businesses with a negative net income
11. change in physical location from a PO Box to a street name/number outside Richland County
12. businesses paying fees not commiserate with their net income
13. businesses with more than one business license at one business location
14. business owners with more than one business

## Industries

15. Bars
16. Bingo parlors
17. Cell phone companies renting space on towers
18. Contractors
19. Money lenders
20. Ambulance companies

21. Residential Landlords
22. Mobile home parks
23. Car dealerships
24. Funeral homes
25. Holding, Investment, and Development companies

## **Red Flags from CA Municipal Revenue & Taxation Assoc. (CMRTA)**

1. Gross Revenue drop
2. Gross Revenue variance
3. Gross Revenue flat
4. Gross Revenue /sales tax mismatch
5. Gross Revenue rounded
6. Rental Gross Revenue over controlled rents
7. Rental Gross Revenue /square footage mismatch
8. Gross Revenue below office rent
9. Gross Revenue below payroll
10. Gross Revenue /City vendor 1099 mismatch
11. Gross Revenue variance with similar businesses
12. Contractor/sub payment mismatch
13. Payment not commensurate with Gross Revenue
14. Selected industries
15. Periodic
16. New businesses
17. Random
18. In conjunction with TOT (LAT) audit
19. Related entity being audited
20. Refund
21. Poor payment history
22. Referral by other department
23. Claim of deduction
24. Claim of exemption
25. Negative net income
26. Moved from PO Box to outside county
27. More than one license per location
28. Improperly classified