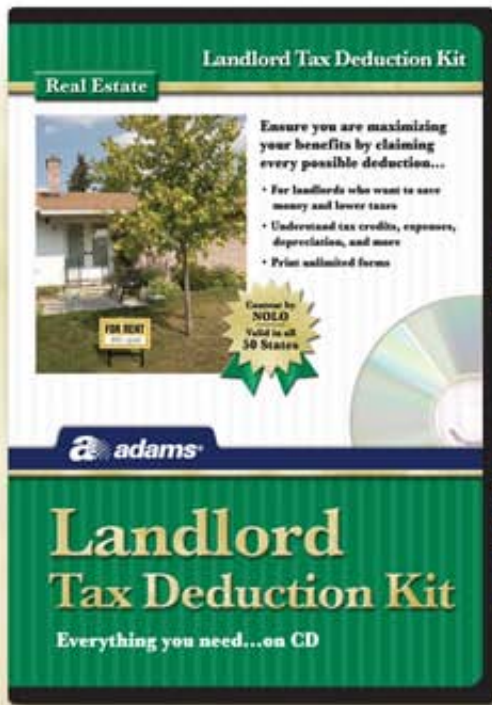


# *Save money on taxes and make the most of your rental properties!*



**Landlord Tax Deduction Kit on CD** answers your questions about...

- Finding deductions you didn't know you could take
- Saving thousands on bookkeeping and accounting fees
- Helping map income and deductible expenses
- Understanding how to complete IRS Schedule E

**Ensure you are maximizing your benefits by claiming every possible deduction...**

- For landlords who want to save money and lower taxes
- Understand tax credits, expenses, depreciation, and more
- Print unlimited forms

**Comprehensive yet easy to read, jam-packed with interesting and relevant examples**

\*Windows® & Macintosh Compatible



# Every Landlord's Legal Guide on CD

## *Table of Contents*

### **Introduction**

- A. What you need to know about Tax Deductions
- B. The Ever-Changing Tax Laws
- C. Guide to Icons Used on this CD

### **1. Tax Deduction Basics for Landlords**

- A. How Landlords are Taxed
- B. How Income Tax Deductions Work
- C. How Property Ownership Affects Taxes
- D. The IRS and the Landlord

### **2. Landlord Tax Classifications**

- A. The Landlord Tax Categories
- B. Business Owner Vs. Investor
- C. Are You Profit Motivated?
- D. Real Estate Dealers

### **3. Deducting Your Operating Expenses**

- A. Requirements for Deducting Operating Expenses
- B. Operating Expenses That Are Not Deductible

### **4. Repairs**

- A. Repair Vs. Improvement
- B. The General Plan of Improvement Rule: A Trap for the Unwary
- C. How to Deduct Repairs
- D. Tips for Maximizing Your Repair Deductions

### **5. Depreciation Basics**

- A. Depreciation: The Landlord's Best Tax Break
- B. Understanding the Basics
- C. How to Depreciate Buildings
- D. Depreciating Land Improvements
- E. Depreciating Personal Property
- F. When You Sell Your Property
- G. Tax Reporting & Record Keeping for Depreciation

### **6. Maximizing your Depreciation Deductions**

- A. Determining the Value of Your Land and Building
- B. Segmented Depreciation

### **7. Interest**

- A. Interest Landlords Can (and Can't) Deduct
- B. Mortgage Interest

- C. Other Interest Expenses
- D. Points and Prepaid Interest
- E. Interest on Construction Loans
- F. Loans with Low or No Interest
- G. Loans on Rental Property Used for Nonrental Purposes
- H. Keeping Track of Borrowed Money

### **8. Start-Up Expenses**

- A. What are Start-Up Expenses
- B. Determining Your Business Start Date
- C. Avoiding the Start-Up Rule's Bite
- D. How to Deduct Start-Up Expenses
- E. If Your Business Doesn't Last 15 Years
- F. If Your Business Never Begins

### **9. The Home Office Deduction**

- A. Qualifying for the Home Office Deduction
- B. Calculating the Home Office Deduction
- C. IRS Reporting Requirements
- D. Audit-Proofing Your Home Office Deduction
- E. Deducting an Outside Office

### **10. Car and Local Transportation Expenses**

- A. Deductible Local Transportation Expenses
- B. The Standard Mileage Rate
- C. The Actual Expense Method
- D. Other Local Transportation Expenses
- E. Reporting Transportation Expenses on Your Tax Return

### **11. Travel Expenses**

- A. What are Travel Expenses?
- B. Deductible Travel Expenses
- C. How Much You Can Deduct
- D. Maximizing your Travel Deductions

### **12. Hiring Help**

- A. Deducting Payments to Workers
- B. Employees Vs. Independent Contractors
- C. Tax Rules when Hiring Independent Contractors
- D. Tax Rules for Employees
- E. Hiring Your Family
- F. Hiring a Resident Manager

### **13. Casualty and Theft Losses**

- A. What is a Casualty?
- B. Calculating a Casualty Loss Deduction
- C. Disaster Area Losses

- D. Casualty Gains
- E. Tax Reporting and Record Keeping for Casualty Losses

#### **14. Additional Deductions**

- A. Dues and Subscriptions
- B. Education Expenses
- C. Gifts
- D. Insurance for your Rental Activity
- E. Legal and Professional Services
- F. Meals and Entertainment
- G. Taxes
- H. Unpaid Rent

#### **15. Vacation Homes**

- A. The Vacation Home Tax Morass
- B. Regular Rental Property
- C. Tax-Free Vacation Home
- D. Vacation Home Used as Rental Property
- E. Vacation Home Used as Residence
- F. Calculating Personal and Rental Use
- G. Converting Your Home to a Rental Property

#### **16. Deducting Rental Losses**

- A. What Are Rental Losses?
- B. Overview of the Passive Loss Rules
- C. The \$25,000 Offset
- D. The Real Estate Professional Exemption
- E. Rental Activities not Subject to PAL Real Property Rental Rules
- F. Vacation Homes
- G. Deducting Suspended Passive Losses
- H. Tax Reporting for Passive Rental Losses
- I. Strategies for Dealing with the Passive Loss Rules
- J. At-Risk Rules
- K. How to Deduct Rental Losses

#### **17. Record Keeping and Accounting**

- A. Record Keeping Made Simple
- B. Accounting Methods
- C. Tax Years

#### **18. All About Schedule E**

- A. Who Must File Schedule E?
- B. Filling Out Schedule E
- C. Schedule E Example

#### **19. Claiming Tax Deductions for Prior Years**

- A. Reasons for Amending Your Tax Return
- B. Time Limits for Filing Amended Returns
- C. How to Amend your Return
- D. How the IRS Processes Refund Claims

#### **20. Help Beyond this CD**

- A. Secondary Sources of Tax Information
- B. The Tax Law
- C. Consulting a Tax Professional