

Office in Home Checklist

Name of Business _____

You can deduct expenses for the business use of a work space in you home, as long as you meet *one* of these conditions:

- It is your principal place of business, or
- You use the space only to earn your business income, and you use it on a regular and ongoing basis to meet your clients, customers, or patients' needs.

You can deduct a part of your maintenance costs such as heating, home insurance, electricity, and cleaning materials. You can also deduct a part of your property taxes, mortgage interest, and capital cost allowance.

To calculate the part you can deduct, use a reasonable basis such as the area of the work space divided by the total area of your home. *(Note: Employees are required to get a T2200 from their employer in order to deduct office in home expenses.)*

If you use part of your home or rent a premises for both your business and personal living, calculate how many hours in a day you use the rooms for your business, then divide that amount by 24 hours. Multiply the result by the business part of your total home expenses. This will give you the household cost you can deduct.

The amount you can deduct for business use of home expenses cannot be more than your net income from the business before you deduct these expenses. In other words, you cannot use these expenses to increase or create a business loss.

Address of office _____

Square footage used for office _____

Total square footage of home _____

Total Yearly Payments and Maintenance

Electric	\$ _____	Mortgage Interest ¹	\$ _____
Natural Gas	\$ _____	Rent	\$ _____
Insurance ¹	\$ _____	Maintenance	\$ _____
Property Taxes ¹	\$ _____	Other	\$ _____
Home Telephone	\$ _____		\$ _____

¹ Only commissioned employees and proprietorship / partnerships may claim house insurance and property taxes. *Employees may not claim mortgage interest as an eligible expense for office in home.*