

Tax Essentials

Begin from the beginning by keeping great tax records! MK can be a great tax shelter if you keep accurate records and get a good accountant who understands all the deductions available to a home-based business. Many husbands have become very supportive when they realize the tax savings from MK! Use a 2-envelope system to track your expenses. A manila envelope for receipts and expenses and the other for income. Each month total the expenses from each category (see attached expense tracking form) and write it on the front of the envelope. Inside will be all the supporting receipts. At the end of the year, you have an envelope for each month of the year and it will be very easy to total all the categories for the year and send to your accountant.

You can use another envelope for income and write on the outside the total of sales for classes, facials, reorders, open houses, etc. You then have a total of actual cash income to use for tax purposes, too.

Use a computer program (you could print a monthly income statement). When you do paper pink tickets (sales tickets), staple them to the back of that customers profile **AFTER** finishing totaling everything on the envelope. (Otherwise, the ticket gets lost in the profile box never to be found again!)

Visit the "Managing Your Business" portion of this web site for expense tracking sheets which will aid you in recording expenses.