


Right on Time Services
Owner-Operator
Truck Driver Tax
Toolkit & Checklist

Tax checklist for Trucker Owner Operators:
Courtesy of Salaam Willis, MBA The Owner-
Operator CFO






As an owner-operator it's common to purchase work-related items and pay for them yourself. And these out-of-pocket expenses are often valid tax deductions for owner-operators, and claimable on your next tax return.

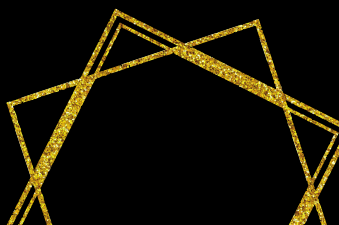
Common Tax Deductions for Owner-Operator Truck Drivers

While everyone is different, the items below are usually classified as tax deductions for owner-operators. Remember, you'll need to keep receipts and documentation for any expenses you claim.

- **Computer/Laptop:** If you have to use your personal computer or laptop for work, you can claim depreciation costs for these items (based on a percentage of legitimate work-related use).
 - **Home office expenses:** You can claim a percentage of costs such as internet and land-line if you have to work from home.
 - **Memberships and union fees:** If you pay a membership fee to an industry body or if you pay dues to a union, you can claim these costs.
 - **Mobile phone:** You can claim a percentage of your mobile phone bill if you use your mobile for work related phone calls.
 - **Stationery:** This includes planners, log books, workbooks etc.
 - **Subscriptions:** Subscriptions to industry and trucking magazines, books and journals used to keep your knowledge current are claimable.
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Owner-Operators May Also Deduct Expenses for:

- Electronic devices, if only used for work
 - Fees paid to a dispatch service
 - Flat-rate taxes
 - Leasing costs
 - Licenses and regulatory fees
 - Sleeper berth equipment, such as an alarm clock, bedding, curtains, cooking equipment, and first aid supplies
 - Specialized work gear, such as goggles, boots, or protective gloves
 - Travel expenses, if incurred while being away from your tax base
 - Vehicle expenses, such as tolls, parking, maintenance, fuel, registration fees, tires, and insurance
 - Work-related fees for drug testing, DOT physical, and a sleep apnea test (If required for work)
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If you've been reimbursed, don't claim it.

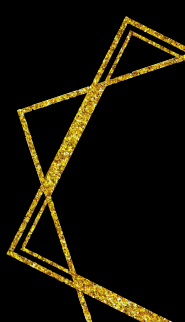
Truckers under authority are sometimes reimbursed for costs. If this is you, you can't claim the expense as a tax deduction. Remember, legitimate IRS tax deductions for owner-operators only include expenses you've paid for yourself where you haven't received a reimbursement.

Per Diem Expenses:

You can track each expense while you're on the road or you can use a per diem, which eliminates the need to prove the actual costs of your expenses when you're away from home.



If you do need to prove you are working away from your tax base the most current rates are listed in the IRS Publication 1542, Per Diem Rates. To claim the per diem rate, drivers must:

- Use regular or high-low method (2019 -2020 tax year IRS change)
 - Have a tax home. Your duties require you to be away from the general area of your tax home substantially longer than an ordinary day's work, AND you need to sleep or rest to meet the demands of your work while away from home.
 - Maintain documents that they were away from home for every day a per diem is claimed.
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Maintaining Good Records

Self-employed truck driver tax deductions are a great way to help reduce your tax bill, but you do need to substantiate these expenses. Here are some suggestions to help you stay organized throughout the year:

- Keep a file to sort receipts by month or by the trip. Don't just put all your receipts into a folder and expect to sort them out in January. Spend a few minutes each week organizing your information to be ready at tax season.
- Store logbooks in the Cloud and on a hard drive. Dropbox and Google Drive are just two secure places to store your information.
- Use an app to maintain receipts and trip information or make notes on each receipt to help you stay organized in case your filing system becomes messy.



The Right on Time

CHECKLIST FOR OWNER-OPERATORS

TO HELP YOU COLLECT TOGETHER ALL THE RECEIPTS, TAX INVOICES AND SUPPORTING DOCUMENTS YOU'LL NEED TO DO YOUR TAX RETURN.

Income

- 1099s
- Pensions or government payments/allowances
- Interest earned for the relevant year from your banks, building societies etc.
- Dividend statements
- Details of rental property income
- Details of any business income
- Details of any other income earned

General Work Expenses

- Travel expenses (flights, taxis, train and bus fares for training courses, trade fairs etc.)
- Accommodation/Food costs while working away from home
- Phone costs (for work usage)
- Work percentage of computer/laptop expenses (Lease or purchase)
- Work percentage of internet costs
- Home office running expenses
- Work related self-education expenses
- Last year's tax return fee
- Income protection insurance premiums (paid outside of Superannuation)
- Rental property expenses (rates, property management fees, agent fees, interest on loan, repairs and maintenance, water rates, depreciation schedule)
- Investment expenses (For example: bank fees, financial advice fees, investment borrowings etc.)
- Records of sales and purchases of any shares, business or property

General Work Expenses Continued

- Private health insurance details
- Spouse details
- Children's details including D.O.B and Social Security Numbers
- Details of any government debts (Child support, etc.)
- Charity donations



Want a FREE 2 Year-Tax Review to make sure all these deductions and credits were applied?

Book your free Right on Time Owner Operator call with me today! [Click here](#) to get started.



My name is
Salaam Willis. I
help Owner-
Operators
reduce their tax
liability and
increase their
savings
with strategic tax
reduction
strategies.
Book your free tax
review call today.

Please note: Not all owner operators will be able to claim all the items listed. For advice tailored to your own circumstances, talk to me by booking a call. [Click here](#) to get scheduled .