

Reporting Freelance Musician Expenses to the IRS

*I want to say one word to you. Just one word.
Are you listening?*



“Prorate.”
”

How does the IRS expect taxpayers to calculate their tax liability?

Total Income – Adjustments = Adjusted Gross Income (“AGI”)

AGI – Deductions = Taxable Income

Taxable Income * Tax Rates = Tax Liability

Payments + Tax Credits – Tax Liability – Penalties = Refund / Tax Owed

How does the IRS expect taxpayers to calculate their tax liability?

Total Income – Adjustments = Adjusted Gross Income (“AGI”)

AGI – Deductions = Taxable Income

Taxable Income * Tax Rates = Tax Liability

Payments + Tax Credits – Tax Liability – Penalties = Refund / Tax Owed

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying surviving spouse (QSS)
 Check only one box.
 If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Your first name and middle initial	Last name	Your social security number
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number
Home address (number and street). If you have a P.O. box, see instructions.		Apt. no.
City, town, or post office. If you have a foreign address, also complete spaces below.		State
Foreign country name		Foreign province/state/county
Foreign postal code		Foreign postal code

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

Digital Assets At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1958 Are blind **Spouse:** Was born before January 2, 1958 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instructions):
			Child tax credit	Credit for other dependents
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>

Income

1a Total amount from Form(s) W-2, box 1 (see instructions)	1a	
b Household employee wages not reported on Form(s) W-2	1b	
c Tip income not reported on line 1a (see instructions)	1c	
d Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d	
e Taxable dependent care benefits from Form 2441, line 26	1e	
f Employer-provided adoption benefits from Form 8839, line 29	1f	
g Wages from Form 8919, line 6	1g	
h Other earned income (see instructions)	1h	
i Nontaxable combat pay election (see instructions)	1i	
z Add lines 1a through 1h	1z	

2a Tax-exempt interest	2a		b Taxable interest	2b	
3a Qualified dividends	3a		b Ordinary dividends	3b	
4a IRA distributions	4a		b Taxable amount	4b	
5a Pensions and annuities	5a		b Taxable amount	5b	
6a Social security benefits	6a		b Taxable amount	6b	
c If you elect to use the lump-sum election method, check here (see instructions)		<input type="checkbox"/>			
7 Capital gain or (loss). Attach Schedule D if required. If not required, check here		<input type="checkbox"/>		7	
8 Other income from Schedule 1, line 10				8	
9 Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income				9	
10 Adjustments to income from Schedule 1, line 26				10	
11 Subtract line 10 from line 9. This is your adjusted gross income				11	
12 Standard deduction or itemized deductions (from Schedule A)				12	
13 Qualified business income deduction from Form 8995 or Form 8995-A				13	
14 Add lines 12 and 13				14	
15 Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income				15	

Attach Sch. B if required.

Standard Deduction for—
 • Single or Married filing separately, \$12,950
 • Married filing jointly or Qualifying surviving spouse, \$25,900
 • Head of household, \$19,400
 • If you checked any box under **Standard Deduction**, see instructions.

What is includable in Total Income??

Interest

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying surviving spouse (QSS)
 Check only one box.
 If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Your first name and middle initial	Last name	Your social security number
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number
Home address (number and street). If you have a P.O. box, see instructions.		Apt. no.
City, town, or post office. If you have a foreign address, also complete spaces below.		State
Foreign country name		Foreign postal code
Foreign province/state/county		Foreign postal code

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

Digital Assets At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1958 Are blind **Spouse:** Was born before January 2, 1958 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Income

1a Total amount from Form(s) W-2, box 1 (see instructions)	1a	
b Household employee wages not reported on Form(s) W-2	1b	
c Tip income not reported on line 1a (see instructions)	1c	
d Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d	
e Taxable dependent care benefits from Form 2441, line 26	1e	
f Employer-provided adoption benefits from Form 8839, line 29	1f	
g Wages from Form 8919, line 6	1g	
h Other earned income (see instructions)	1h	
i Nontaxable combat pay election (see instructions)	1i	
z Add lines 1a through 1h	1z	

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2a Tax-exempt interest	2a		b Taxable interest	2b	
3a Qualified dividends	3a		b Ordinary dividends	3b	
4a IRA distributions	4a		b Taxable amount	4b	
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6a Social security benefits	6a		b Taxable amount	6b	
c If you elect to use the lump-sum election method, check here (see instructions)					
7 Capital gain or (loss). Attach Schedule D if required. If not required, check here				7	
8 Other income from Schedule 1, line 10				8	
9 Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income				9	
10 Adjustments to income from Schedule 1, line 26				10	
11 Subtract line 10 from line 9. This is your adjusted gross income				11	
12 Standard deduction or itemized deductions (from Schedule A)				12	
13 Qualified business income deduction from Form 8995 or Form 8995-A				13	
14 Add lines 12 and 13				14	
15 Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income				15	

Standard Deduction for—

- Single or Married filing separately, \$12,950
- Married filing jointly or Qualifying surviving spouse, \$25,900
- Head of household, \$19,400
- If you checked any box under **Standard Deduction**, see instructions.

What is includable in Total Income??

Dividends Interest

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying surviving spouse (QSS)
 Check only one box.
 If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Your first name and middle initial	Last name	Your social security number
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number
Home address (number and street). If you have a P.O. box, see instructions.		Apt. no.
City, town, or post office. If you have a foreign address, also complete spaces below.		State
Foreign country name		Foreign postal code
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Presidential Election Campaign
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 You Spouse

Digital Assets At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1958 Are blind **Spouse:** Was born before January 2, 1958 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Income

1a Total amount from Form(s) W-2, box 1 (see instructions)	1a
b Household employee wages not reported on Form(s) W-2	1b
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h Other earned income (see instructions)	1h
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z Add lines 1a through 1h	1z

Attach Sch. B if required.

2a Tax-exempt interest	2a	b Taxable interest	2b
3a Qualified dividends	3a	b Ordinary dividends	3b
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6a Social security benefits	6a	b Taxable amount	6b
c If you elect to use the lump-sum election method, check here (see instructions)			
7 Capital gain or (loss). Attach Schedule D if required. If not required, check here			7
8 Other income from Schedule 1, line 10			8
9 Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income			9
10 Adjustments to income from Schedule 1, line 26			10
11 Subtract line 10 from line 9. This is your adjusted gross income			11
12 Standard deduction or itemized deductions (from Schedule A)			12
13 Qualified business income deduction from Form 8995 or Form 8995-A			13
14 Add lines 12 and 13			14
15 Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income			15

Standard Deduction for—

- Single or Married filing separately, \$12,950
- Married filing jointly or Qualifying surviving spouse, \$25,900
- Head of household, \$19,400
- If you checked any box under **Standard Deduction**, see instructions.

Wages

Dividends Interest

What is includable in Total Income??

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying surviving spouse (QSS)
 Check only one box.
 If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Your first name and middle initial	Last name	Your social security number
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number
Home address (number and street). If you have a P.O. box, see instructions.		Apt. no.
City, town, or post office. If you have a foreign address, also complete spaces below.		State
Foreign country name		Foreign postal code
Foreign province/state/county		Foreign postal code

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

Digital Assets At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1958 Are blind **Spouse:** Was born before January 2, 1958 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Income

1a Total amount from Form(s) W-2, box 1 (see instructions)	1a	
b Household employee wages not reported on Form(s) W-2	1b	
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g Wages from Form 8919, line 6	1g	
h Other earned income (see instructions)	1h	
i Nontaxable combat pay election (see instructions)	1i	
z Add lines 1a through 1h	1z	

Wages

Attach Sch. B if required.

2a Tax-exempt interest	2a		b Taxable interest	
3a Qualified dividends	3a		b Ordinary dividends	
4a IRA distributions	4a		b Taxable amount	
5a Pensions and annuities	5a		b Taxable amount	
6a Social security benefits	6a		b Taxable amount	
c If you elect to use the lump-sum election method, check here (see instructions)				<input type="checkbox"/>
7 Capital gain or (loss). Attach Schedule D if required. If not required, check here				<input type="checkbox"/>
8 Other income from Schedule 1, line 10				
9 Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income				
10 Adjustments to income from Schedule 1, line 26				
11 Subtract line 10 from line 9. This is your adjusted gross income				
12 Standard deduction or itemized deductions (from Schedule A)				
13 Qualified business income deduction from Form 8995 or Form 8995-A				
14 Add lines 12 and 13				
15 Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income				

Dividends

Interest

Pensions

Standard Deduction for—
 • Single or Married filing separately, \$12,950
 • Married filing jointly or Qualifying surviving spouse, \$25,900
 • Head of household, \$19,400
 • If you checked any box under **Standard Deduction**, see instructions.

What is includable in Total Income??

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying surviving spouse (QSS)
 Check only one box.
 If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Your first name and middle initial	Last name	Your social security number
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number
Home address (number and street). If you have a P.O. box, see instructions.		Apt. no.
City, town, or post office. If you have a foreign address, also complete spaces below.		State
Foreign country name		Foreign postal code
Foreign province/state/county		Foreign postal code

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

Digital Assets At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1958 Are blind **Spouse:** Was born before January 2, 1958 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Income

1a Total amount from Form(s) W-2, box 1 (see instructions)	1a
b Household employee wages not reported on Form(s) W-2	1b
c Tip income not reported on line 1a (see instructions)	1c
d Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d
e Taxable dependent care benefits from Form 2441, line 26	1e
f Employer-provided adoption benefits from Form 8839, line 29	1f
g Wages from Form 8919, line 6	1g
h Other earned income (see instructions)	1h
i Nontaxable combat pay election (see instructions)	1i
z Add lines 1a through 1h	1z

Attach Sch. B if required.

2a Tax-exempt interest	2a	b Taxable interest	2b
3a Qualified dividends	3a	b Ordinary dividends	3b
4a IRA distributions	4a	b Taxable amount	4b
5a Pensions and annuities	5a	b Taxable amount	5b
6a Social security benefits	6a	b Taxable amount	6b

Standard Deduction for—
 • Single or Married filing separately, \$12,950
 • Married filing jointly or Qualifying surviving spouse, \$25,900
 • Head of household, \$18,400
 • If you checked any box under **Standard Deduction**, see instructions.

7 Capital gain or (loss). Attach Schedule D if required. If not required, check here	<input type="checkbox"/>	7
8 Other income from Schedule 1, line 10		8
9 Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9
10 Adjustments to income from Schedule 1, line 26		10
11 Subtract line 10 from line 9. This is your adjusted gross income		11
12 Standard deduction or itemized deductions (from Schedule A)		12
13 Qualified business income deduction from Form 8995 or Form 8995-A		13
14 Add lines 12 and 13		14
15 Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income		15

What is includable in Total Income??

Wages

Dividends Interest

Pensions Social Security

**SCHEDULE D
(Form 1040)**

Capital Gains and Losses

Department of the Treasury
Internal Revenue Service
Name(s) shown on return

Go to www.irs.gov for the latest information.
Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

Did you dispose of any investment(s) in a qualified opportunity fund during the tax year? Yes No
If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I Short-Term Capital Gains and Losses—Generally Assets Held One Year or Less (see instructions)

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b.

1b Totals for all transactions reported on Form(s) 8949 with **Box A** checked

2 Totals for all transactions reported on Form(s) 8949 with **Box B** checked

3 Totals for all transactions reported on Form(s) 8949 with **Box C** checked

4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824

5 Net short-term gain or (loss) from partnerships, S corporations, trusts, and REMICs. Attach Form 1099-B, if applicable. Also attach Forms W-2 and capital loss carryover worksheet in the instructions.

7 **Net short-term capital gain or (loss).** Combine lines 1a through 6 in column (h). If you have a net short-term capital gain or loss, go to Part II below. Otherwise, go to Part III below.

Part II Long-Term Capital Gains and Losses—Generally Assets Held More Than One Year (see instructions)

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b.

8b Totals for all transactions reported on Form(s) 8949 with **Box D** checked

9 Totals for all transactions reported on Form(s) 8949 with **Box E** checked

10 Totals for all transactions reported on Form(s) 8949 with **Box F** checked

11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 8225 and long-term gain or (loss) from Forms 4684, 6781, and 8824

(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments	(h) Gain or (loss)	Foreign province/state/county	Foreign postal code
Digital Assets					
Standard Deduction					
Age/Blindness					
Dependents	(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instructions): Child tax credit Credit for other dependents
Income	1a Total amount from Form(s) W-2, box 1 (see instructions)				1a
4	Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5	Net short-term gain or (loss) from partnerships, S corporations, trusts, and REMICs. Attach Form 1099-B, if applicable. Also attach Forms W-2 and capital loss carryover worksheet in the instructions.				5
6	Short-term capital loss carryover. Enter the amount, if any, from line 8 of Form 1099-B if tax was withheld.				6
7	Net short-term capital gain or (loss). Combine lines 1a through 6 in column (h). If you have a net short-term capital gain or loss, go to Part II below. Otherwise, go to Part III below.				7
2a	Tax-exempt interest				2a
3a	Qualified dividends				3a
4a	IRA distributions				4a
5a	Pensions and annuities				5a
6a	Capital gains				6a
7	Charitable contributions				7
8	Other capital gains and losses				8
9	Add lines 12, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income .				9
10	Adjustments to income from Schedule 1, line 26				10
11	Subtract line 10 from line 9. This is your adjusted gross income .				11
12	Standard deduction or itemized deductions (from Schedule A)				12
13	Qualified business income deduction from Form 8995 or Form 8995-A				13
14	Add lines 12 and 13				14
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income .				15

What is includable in Total Income??

Wages

Dividends
Interest
Pensions
Social Security

SCHEDULE D (Form 1040)

Capital Gains and Losses

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

SCHEDULE C (Form 1040)

Profit or Loss From Business

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

Part I Short-Term Capital Gains and Losses

Capital Gains and Losses

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

Part II Long-Term Capital Gains and Losses

Capital Gains and Losses

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

Part I Income

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

Part II Expenses

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

Part III Depreciation

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

Part IV Other

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

Part V Other

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

Part VI Other

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

Part VII Other

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

Part VIII Other

Department of the Treasury Internal Revenue Service

Form 1040 header section including Filing Status, Name, Address, and Social Security Number fields.

What is includable in Total Income??

Wages

Dividends

Interest

Pensions Social Security

Rental Income

Filing Status: Single, Married filing jointly, Married filing separately (MFS), Head of household (HOH), Qualifying surviving spouse (QSS)

SCHEDULE D (Form 1040)

Capital Gains and Losses

Department of the Treasury Internal Revenue Service

Attach to Form 1040, 1040-SR, or 1040-NR... Go to www.irs.gov/scheduleD for instructions... Attach to Form 1040, 1040-SR, 1040-NR, or 1041...

SCHEDULE C (Form 1040)

Profit or Loss From Business

Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships must generally file Form 1065... Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships must generally file Form 1065...

See instructions for how to figure the amounts to enter on the lines below... (d) Proceeds (sales price) less expenses... (e) Gain or (loss)...

This form may be easier to complete if you round off cents to whole dollars... Digital Assets: Supplemental Income and Losses of a digital asset (or a financial interest in a digital asset)?

Business transactions reported on Form 1099-B for which basis was reported to the IRS... Standard Deduction: Attach to Form 1040, 1040-SR, 1040-NR, or 1041...

Accounting method: Have you made any adjustments... Age/Blindness/You: January 2, 1958... Social Security Number: 0000-0000...

Did you start or continue to be a partner in a partnership... (2) Social security number... (3) Relationship to you... (4) Check the box if qualifies for (see instructions): Child tax credit, Credit for other dependents

Part I Income: 1 Gross receipts or sales... 2 Totals for all transactions reported on Form(s) 1099-B with which you filed Schedule(s) 1099?

3 Returns for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? 4 Did you make any payments in 2022 that would require you to file Form(s) 1099? See instructions.

5 Gross profit, subtract line 4 from line 3 6 Other income or loss (attach Schedule(s) 1099-K, 1099-NEC, and 1099-ES to this return)

7 Gross income: Add lines 5 and 6

Part II Expenses: 8 Advertising or work-related expenses... 9 Car and travel expenses... 10 Commissions and fees... 11 Other expenses

12 Depreciation... 13 Repairs and maintenance... 14 Advertising or promotional expenses... 15 Insurance... 16 Interest

17 Legal and professional fees... 18 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

19 Tentative adjusted gross income: Subtract line 18 from line 7... 20 Expenses for production of income: Attach Form 4797... 21 Repairs and maintenance... 22 Advertising or promotional expenses... 23 Insurance... 24 Interest

25 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? Use the Simplified Method... 26 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

27 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? Use the Simplified Method... 28 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

29 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? Use the Simplified Method... 30 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

31 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? Use the Simplified Method... 32 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

33 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? Use the Simplified Method... 34 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

35 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? Use the Simplified Method... 36 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

37 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? Use the Simplified Method... 38 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

39 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? Use the Simplified Method... 40 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

41 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? Use the Simplified Method... 42 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

43 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? Use the Simplified Method... 44 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

45 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099? Use the Simplified Method... 46 Total for all transactions reported on Form(s) 8949 with which you filed Schedule(s) 1099?

What is includable in Total Income??

Wages

Dividends

Interest

Pensions

Social Security

Rental Income

Royalties

What is includable in Total Income?

- Portfolio income (*e.g.*, interest, dividends)
- Wages
- Pensions, Social Security, Retirement distributions
- Capital Gains
- Net business income
- Rental property income
- Royalties, trust, estate, partnership income
- Other

**SCHEDULE C
(Form 1040)**

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

OMB No. 1545-0074

2022

Attachment
Sequence No. **09**

Department of the Treasury
Internal Revenue Service

Go to www.irs.gov/ScheduleC for instructions and the latest information.

Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships must generally file Form 1065.

<p>Name of proprietor</p>	<p>Social security number (SSN)</p>										
<p>A Principal business or profession, including product or service (see instructions)</p>	<p>B Enter code from instructions</p> <table border="1" style="width:100%; height: 20px;"> <tr> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> </tr> </table>										
<p>C Business name. If no separate business name, leave blank.</p>	<p>D Employer ID number (EIN) (see instr.)</p> <table border="1" style="width:100%; height: 20px;"> <tr> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> </tr> </table>										
<p>E Business address (including suite or room no.) _____ City, town or post office, state, and ZIP code _____</p>											
<p>F Accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) _____</p>											
<p>G Did you "materially participate" in the operation of this business during 2022? If "No," see instructions for limit on losses . <input type="checkbox"/> Yes <input type="checkbox"/> No</p>											
<p>H If you started or acquired this business during 2022, check here <input type="checkbox"/></p>											
<p>I Did you make any payments in 2022 that would require you to file Form(s) 1099? See instructions <input type="checkbox"/> Yes <input type="checkbox"/> No</p>											
<p>J If "Yes," did you or will you file required Form(s) 1099? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>											

Part I Income

1	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"/>	1	
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	
4	Cost of goods sold (from line 42)	4	
5	Gross profit. Subtract line 4 from line 3	5	
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	Gross income. Add lines 5 and 6	7	

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

8	Advertising	8		18	Office expense (see instructions)	18	
9	Car and truck expenses (see instructions)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11		a	Vehicles, machinery, and equipment	20a	
12	Depletion	12		b	Other business property	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15		23	Taxes and licenses	23	
16	Interest (see instructions):			24	Travel and meals:		
a	Mortgage (paid to banks, etc.)	16a		a	Travel	24a	
b	Other	16b		b	Deductible meals (see instructions)	24b	
17	Legal and professional services	17		25	Utilities	25	
28	Total expenses before expenses for business use of home. Add lines 8 through 27a	28		26	Wages (less employment credits)	26	
				27a	Other expenses (from line 48)	27a	
				b	Reserved for future use	27b	

What is
Net
Business
Income?

**SCHEDULE C
(Form 1040)**

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

OMB No. 1545-0074

2022

Attachment
Sequence No. **09**

Department of the Treasury
Internal Revenue Service

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Name of proprietor		Social security number (SSN)	
A	Principal business or profession, including product or service (see instructions)	B Enter code from instructions	
C	Business name. If no separate business name, leave blank.	D Employer ID number (EIN) (see instr.)	
E	Business address (including suite or room no.) City, town or post office, state, and ZIP code		
F	Accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify)		
G	Did you "materially participate" in the operation of this business during 2022? If "No," see instructions for limit on losses <input type="checkbox"/> Yes <input type="checkbox"/> No		
H	If you started or acquired this business during 2022, check here <input type="checkbox"/>		
I	Did you make any payments in 2022 that would require you to file Form(s) 1099? See instructions <input type="checkbox"/> Yes <input type="checkbox"/> No		
J	If "Yes," did you or will you file required Form(s) 1099? <input type="checkbox"/> Yes <input type="checkbox"/> No		

What is
Net
Business
Income?

Gross
Receipts

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

Part II Expenses. Enter expenses for business use of your home only on line 30.			
8	Advertising	18	Office expense (see instructions)
9	Car and truck expenses (see instructions)	19	Pension and profit-sharing plans
10	Commissions and fees	20	Rent or lease (see instructions):
11	Contract labor (see instructions)	20a	a Vehicles, machinery, and equipment
12	Depletion	20b	b Other business property
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	21	Repairs and maintenance
14	Employee benefit programs (other than on line 19)	22	Supplies (not included in Part III)
15	Insurance (other than health)	23	Taxes and licenses
16	Interest (see instructions):	24	Travel and meals:
16a	a Mortgage (paid to banks, etc.)	24a	a Travel
16b	b Other	24b	b Deductible meals (see instructions)
17	Legal and professional services	25	Utilities
28	Total expenses before expenses for business use of home. Add lines 8 through 27a	26	Wages (less employment credits)
		27a	Other expenses (from line 48)
		27b	b Reserved for future use
		28	

**SCHEDULE C
(Form 1040)**

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

OMB No. 1545-0074

2022

Attachment
Sequence No. **09**

Department of the Treasury
Internal Revenue Service

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Net
Business
Income?

Gross
Receipts

Part I Income	
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6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)
7	Gross income. Add lines 5 and 6

Total
Expenses

Part II Expenses. Enter expenses for business use of your home only on line 30.			
8	Advertising	18	Office expense (see instructions)
9	Car and truck expenses (see instructions)	19	Pension and profit-sharing plans
10	Commissions and fees	20	Rent or lease (see instructions):
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28	Total expenses before expenses for business use of home. Add lines 8 through 27a	26	Wages (less employment credit)
		27a	Other expenses (from line 48)
		27b	Reserved for future use
		28	

**SCHEDULE C
(Form 1040)**

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

OMB No. 1545-0074

2022

Attachment
Sequence No. **09**

Department of the Treasury
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J	If "Yes," did you or will you file required Form(s) 1099? <input type="checkbox"/> Yes <input type="checkbox"/> No		

What is
Net
Business
Income?

Part I Income

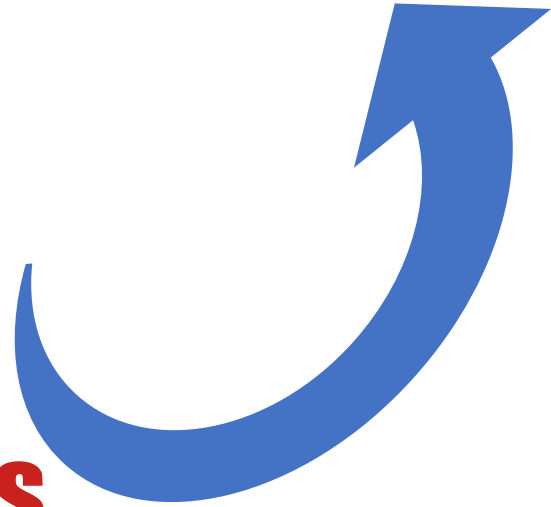
1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported on your Form W-2 and the "Statutory employee" box on that form was checked <input type="checkbox"/>	1
2	Returns and allowances	2
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Gross
Receipts

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

8	Advertising	8	18	Office expense (see instructions)	18
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			27b	Reserved for future use	27b

Total
Expenses



Typical Musician Expenses

- Supplies (less than \$200 / last less than 1 year)
- Repairs and Maintenance
- Insurance – liability, instrument (**not** health)
- Licenses and taxes
- Union dues (work and annual)
- Depreciation

Typical Musician Expenses

- Supplies (less than \$200 / last less than 1 year)
- Repairs and Maintenance
- Insurance – liability, instrument (**not** health)
- Licenses and taxes
- Union dues (work and annual)
- Depreciation
- Travel (including to auditions)
- Transportation
- Car Expenses
- Meals (when travelling)
- Home Office

So, which musician expenses are deductible??

IRC § 162(a) allows for "all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business." Typically, "trade or business" deductions are only allowed in situations where the taxpayer carrying on such trade or business is not rendering services as an employee IRC § 62(a)(1)

So, which musician expenses are deductible??

1) If you are an independent contractor

So, which musician expenses are deductible??

1) If you are an independent contractor

All of them

So, which musician expenses are deductible??

1) If you are an independent contractor

All of them

**** *to the extent* they are used to generate self-employment income****

So, which musician expenses are deductible??

1) If you are an independent contractor

All of them

*****to the extent* they are used to generate self-employment income****

1) If you are an employee

So, which musician expenses are deductible??

1) If you are an independent contractor

All of them

**** *to the extent* they are used to generate self-employment income****

1) If you are an employee

NONE of them!

(since the passage of the TCJA of 2017)

Typical Musician Expenses

- Supplies (less than \$200 / last less than 1 year)
- Repairs and Maintenance
- Insurance – liability, instrument (**not** health)
- Licenses and taxes
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Typical Musician Expenses

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- Licenses and taxes
- Union dues (work and annual)
- Depreciation
- Travel (including to auditions)
- Transportation
- Car Expenses
- Meals (when travelling)
- Home Office

If you are an employee

What if I am BOTH??

An Independent Contractor...



What if I am BOTH??

An Independent Contractor...



AND



...an Employee?

PRORATE!



PRORATE!



OK....
But
how
exactly
do I do
that??