

**SCHEDULE C
(Form 1040)**

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

OMB No. 1545-0074

1985
09

Department of the Treasury
Internal Revenue Service

Partnerships, Joint Ventures, etc., Must File Form 1065.

▶ **Attach to Form 1040 or Form 1041.** ▶ **See Instructions for Schedule C (Form 1040).**

Name of proprietor		Social security number	
A Principal business or profession, including product or service (see Instructions)		B Principal business code from page 2	
C Business name and address ▶		D Employer ID number	
E Method(s) used to value closing inventory: (1) <input type="checkbox"/> Cost (2) <input type="checkbox"/> Lower of cost or market (3) <input type="checkbox"/> Other (attach explanation)			
F Accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶			
G Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation.			
H Did you deduct expenses for an office in your home?			

Part I Income

1 a Gross receipts or sales	1a		
b Less: Returns and allowances	1b		
c Subtract line 1b from line 1a and enter the balance here	1c		
2 Cost of goods sold and/or operations (from Part III, line 8)	2		
3 Subtract line 2 from line 1c and enter the gross profit here.	3		
4 a Windfall Profit Tax Credit or Refund received in 1985 (see Instructions)	4a		
b Other income	4b		
5 Add lines 3, 4a, and 4b. This is the gross income	5		

Part II Deductions

6 Advertising		22 Pension and profit-sharing plans		
7 Bad debts from sales or services (Cash method taxpayers, see Instructions)		23 Rent on business property		
8 Bank service charges		24 Repairs		
9 Car and truck expenses		25 Supplies (not included in Part III below)		
10 Commissions		26 Taxes (Do not include Windfall Profit Tax here. See line 30.)		
11 Depletion		27 Travel and entertainment		
12 Depreciation and section 179 deduction from Form 4562 (not included in Part III below)		28 Utilities and telephone		
13 Dues and publications		29 a Wages		
14 Employee benefit programs		b Jobs credit		
15 Freight (not included in Part III below)		c Subtract line 29b from 29a		
16 Insurance		30 Windfall Profit Tax withheld in 1985		
17 Laundry and cleaning		31 Other expenses (specify):		
18 Legal and professional services		a		
19 Mortgage interest paid to financial institutions (see Instructions)		b		
20 Office expense		c		
21 Other interest		d		
22 Add amounts in columns for lines 6 through 31g. These are the total deductions		e		
23		f		
24		g		
25		32		
26		33		
27		34		

34 If you have a loss, you **MUST** answer this question: "Do you have amounts for which you are not at risk in this business (see Instructions)?" Yes No
If "Yes," you **MUST** attach **Form 6198**. If "No," enter the loss on Form 1040, line 12, and on Schedule SE, Part I, line 2 (or Form 1041, line 5).

Part III Cost of Goods Sold and/or Operations (See Schedule C Instructions for Part III)

1 Inventory at beginning of year (if different from last year's closing inventory, attach explanation)	1		
2 Purchases less cost of items withdrawn for personal use	2		
3 Cost of labor (do not include salary paid to yourself)	3		
4 Materials and supplies	4		
5 Other costs	5		
6 Add lines 1 through 5	6		
7 Less: Inventory at end of year	7		
8 Cost of goods sold and/or operations. Subtract line 7 from line 6. Enter here and in Part I, line 2, above.	8		

Codes for Principal Business or Professional Activity

Review the major business categories listed in **Step 1** and find the one which best describes your type of business or professional activity. The appropriate category will direct you to specific activity

codes in **Step 2**. Select the activity code that identifies the business or profession that is the principal source of your sales or receipts. Enter this 4 digit code on line B on page 1 of Schedule C. (**Note:** *If your principal source of income is from farming activities, you should file Schedule F (Form 1040), Farm Income and Expenses.*)

Step 1

Major Business Categories

Production (construction, manufacturing, mining), including custom or contract production services	A
Agricultural services (excluding farming), forestry, and fishing	B
Wholesale trade—selling goods you do not produce to businesses and institutions, including sales to professional practices and for farm production	C
Retail trade—selling goods you do not produce to individuals and households	D
Serving food or drink	D
Real estate, insurance, finance, and related services	E
Transportation, communications, public utilities, and related services	F
Providing personal, professional, and business services not included in the above categories	G

See Specific Activity in Step 2

Step 2

A Production (Including Custom or Contract Production Services)

<i>Code</i>	
0018	Operative builders (building for own account)
	General contractors
0034	Residential building
0059	Nonresidential building
0075	Highway and street construction
3889	Other heavy construction (pipe laying, bridge construction, etc.)
	Building trade contractors, including repairs
0232	Plumbing, heating, air conditioning
0257	Painting, paper hanging, decorating
0273	Electrical work
0299	Masonry, plastering, stone, tile
0414	Carpentering and flooring
0430	Roofing and sheet metal work
0455	Concrete work
0471	Water well drilling
0885	Other building trade contractors (excavation, demolition, etc.)
	Manufacturing, including printing and publishing
0612	Bakeries selling at retail
0638	Other food products and beverages
0653	Textile mill products
0679	Apparel and other textile products
0695	Leather, footwear, handbags, etc.
0810	Furniture and fixtures
0836	Lumber and other wood products
0851	Printing and publishing
0877	Paper and allied products
0893	Chemicals and allied products
1016	Rubber and plastics products
1032	Stone, clay, and glass products
1057	Primary metal industries
1073	Fabricated metal products
1099	Machinery and machine shops
1115	Electric and electronic equipment
1313	Transportation equipment
1339	Instruments and related products
1883	Other manufacturing industries
	Mining and mineral extraction
1511	Metal mining
1537	Coal mining
1552	Oil and gas
1719	Quarrying and nonmetallic mining

B Agricultural Services, Forestry, and Fishing

1917	Soil preparation services
1933	Crop services
1958	Veterinary services, including pets
1974	Livestock breeding
1990	Other animal services
2113	Farm labor and management services
2212	Horticulture and landscaping

C Wholesale Trade—Selling Goods to Other Businesses, Government, or Institutions, etc.

<i>Code</i>	
2238	Forestry, except logging
0836	Logging
2279	Fishing, hunting, and trapping
	Durable goods, including machinery, equipment, wood, metals, etc.
2618	Selling for your own account
2634	Agent or broker for other firms—more than 50% of gross sales on commission
	Nondurable goods, including food, fiber, chemicals, etc.
2659	Selling for your own account
2675	Agent or broker for other firms—more than 50% of gross sales on commission

D Retail Trade—Selling Goods to Individuals and Households

3012	Selling door-to-door, by telephone or party plan, or from mobile unit
3038	Catalog or mail order
3053	Vending machine selling
	Selling From Store, Showroom, or Other Fixed Location
	Food, beverages, and drugs
3079	Eating places (meals or snacks)
3095	Drinking places (alcoholic beverages)
3210	Grocery stores (general line)
0612	Bakeries selling at retail
3236	Other food stores (meat, produce, candy, etc.)
3251	Liquor stores
3277	Drug stores
	Automotive and service stations
3319	New car dealers (franchised)
3335	Used car dealers
3517	Other automotive dealers (motorcycles, recreational vehicles, etc.)
3533	Tires, accessories, and parts
3558	Gasoline service stations
	General merchandise, apparel, and furniture
3715	Variety stores
3731	Other general merchandise stores
3756	Shoe stores
3772	Mens' and boys' clothing stores
3913	Womens' ready-to-wear stores
3939	Family clothing stores
3954	Other apparel and accessory stores
3970	Furniture stores
3996	TV, audio, and electronics
4119	Household appliance stores

<i>Code</i>	
4317	Other home furnishing stores (china, floor coverings, drapes, etc.)
4333	Music and record stores
	Building, hardware, and garden supply
4416	Building materials dealers
4432	Paint, glass, and wallpaper stores
4457	Hardware stores
4473	Nurseries and garden supply stores
	Other retail stores
4614	Used merchandise and antique stores
4630	Gift, novelty, and souvenir shops
4655	Florists
4671	Jewelry stores
4697	Sporting goods and bicycle shops
4812	Boat dealers
4838	Hobby, toy, and game shops
4853	Camera and photo supply stores
4879	Optical goods stores
4895	Luggage and leather goods stores
5017	Book stores, excluding newsstands
5033	Stationery stores
5058	Fabric and needlework stores
5074	Mobile home dealers
5090	Fuel dealers (except gasoline)
5884	Other retail stores

E Real Estate, Insurance, Finance, and Related Services

5512	Real estate agents and managers
5538	Operators and lessors of buildings (except developers)
5553	Operators and lessors of other real property (except developers)
5710	Subdividers and developers, except cemeteries
5736	Insurance agents and services
5751	Security and commodity brokers, dealers and investment services
5777	Other real estate, insurance, and financial activities

F Transportation, Communications, Public Utilities, and Related Services

6114	Taxicabs
6312	Bus and limousine transportation
6338	Trucking (except trash collection)
6510	Trash collection without own dump
6536	Public warehousing
6551	Water transportation
6619	Air transportation
6635	Travel agents and tour operators
6650	Other transportation and related services
6676	Communication services
6692	Utilities, including dumps, snowplowing, road cleaning, etc.

G Services (Providing Personal, Professional, and Business Services)

	Hotels and other lodging places
7096	Hotels, motels, and tourist homes
7211	Rooming and boarding houses
7237	Camps and camping parks
	Laundry and cleaning services
7419	Coin-operated laundries and dry cleaning
7435	Other laundry, dry cleaning, and garment services
7450	Carpet and upholstery cleaning
7476	Janitorial and related services (building, house, and window cleaning)

<i>Code</i>	
	Business and/or personal services
7617	Legal services (or lawyer)
7633	Income tax preparation
7658	Accounting and bookkeeping
7674	Engineering, surveying, and architectural
7690	Management, consulting, and public relations
7716	Advertising, except direct mail
7732	Employment agencies and personnel supply
7757	Computer and data processing, including repair and leasing
7773	Equipment rental and leasing (except computer or automotive)
7914	Investigative and protective services
7880	Other business services
	Personal services
8110	Beauty shops (or beautician)
8318	Barber shop (or barber)
8334	Photographic portrait studios
8516	Shoe repair and shine services
8532	Funeral services and crematories
8557	Physical fitness facilities
8714	Child day care
8730	Teaching or tutoring
8755	Counseling (except health practitioners)
8771	Ministers and chaplains
6882	Other personal services
	Automotive services
8813	Automotive rental or leasing, without driver
8839	Parking, except valet
8854	General automotive repairs
8870	Specialized automotive repairs (brake, body repairs, paint, etc.)
8896	Other automotive services (wash, towing, etc.)
	Miscellaneous repair, except computers
9019	TV and audio equipment repair
9035	Other electrical equipment repair
9050	Reupholstery and furniture repair
2881	Other equipment repair
	Medical and health services
9217	Physicians and surgeons (MD's)
9233	Dentists
9258	Osteopathic physicians and surgeons
9274	Chiropractors
9290	Optometrists
9415	Registered and practical nurses
9431	Other licensed health practitioners
9456	Dental laboratories
9472	Nursing and personal care facilities
9886	Clinics and other health services
	Amusement and recreational services
9613	Video tape rental stores
9639	Motion picture theaters
9654	Other motion picture and TV activities
9670	Bowling alleys and pool parlors
9696	Professional sports and racing, including promoters and managers
9811	Theatrical performers, musicians, agents, producers, and related services
9837	Other amusement and recreation services
8888	Unable to classify—Explain