

**SCHEDULE C
(Form 1040)**

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

OMB No. 1545-0074

1987

Attachment
Sequence No. **09**

Department of the Treasury
Internal Revenue Service

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

Attach to Form 1040, Form 1041, or Form 1041S. See Instructions for Schedule C (Form 1040).

Name of proprietor _____ Social security number (SSN) _____

A Principal business or profession, including product or service (see Instructions) _____ **B** Principal business code (from Part IV) ▶ _____

C Business name and address ▶ _____ **D** Employer ID number (Not SSN) _____

E Method(s) used to value closing inventory:
(1) Cost **(2)** Lower of cost or market **(3)** Other (attach explanation)

F Accounting method: **(1)** Cash **(2)** Accrual **(3)** Other (specify) ▶ _____

G Was there any change in determining quantities, costs, or valuations between opening and closing inventory? (If "Yes," attach explanation.) _____

H Are you deducting expenses for an office in your home? _____

I Did you file **Form 941** for this business for any quarter in 1987? _____

J Did you "materially participate" in the operation of this business during 1987? (If "No," see Instructions for limitations on losses.) _____

K Was this business in operation at the end of 1987? _____

L How many months was this business in operation during 1987? _____ ▶

M If this schedule includes a loss, credit, deduction, income, or other tax benefit relating to a tax shelter required to be registered, check here.
 If you check this box, you **MUST** attach **Form 8271**.

Yes	No

Part I Income

1a 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 Other income (including windfall profit tax credit or refund received in 1987)	4		
5 Add lines 3 and 4. This is the gross income	5		

Part II Deductions

6 Advertising		23 Repairs	
7 Bad debts from sales or services (see Instructions.)		24 Supplies (not included in Part III)	
8 Bank service charges		25 Taxes	
9 Car and truck expenses		26 Travel, meals, and entertainment:	
10 Commissions		a Travel	
11 Depletion		b Total meals and entertainment	
12 Depreciation and section 179 deduction from Form 4562 (not included in Part III)		c Enter 20% of line 26b subject to limitations (see Instructions)	
13 Dues and publications		d Subtract line 26c from 26b	
14 Employee benefit programs		27 Utilities and telephone	
15 Freight (not included in Part III)		28a Wages	
16 Insurance		b Jobs credit	
17 Interest:		c Subtract line 28b from 28a	
a Mortgage (paid to financial institutions)		29 Other expenses (list type and amount):	
b Other			
18 Laundry and cleaning			
19 Legal and professional services			
20 Office expense			
21 Pension and profit-sharing plans			
22 Rent on business property			
30 Add amounts in columns for lines 6 through 29. These are the total deductions	30		
31 Net profit or (loss). Subtract line 30 from line 5. If a profit, enter here and on Form 1040, line 13, and on Schedule SE, line 2 (or line 5 of Form 1041 or Form 1041S). If a loss, you MUST go on to line 32	31		

32 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 13, and on Schedule SE, line 2 (or line 5 of Form 1041 or Form 1041S).

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.	8	

Part IV Codes for Principal Business or Professional Activity

Locate the major business category that best describes your activity (for example, Retail Trade, Services, etc.). Within the major category, select the activity code that identifies (or most closely 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.**)

Code	Description	Code	Description	Code	Description
Construction					
0018	Operative builders (building for own account)	2634	Agent or broker for other firms—more than 50% of gross sales on commission	4697	Sporting goods and bicycle shops
General contractors		Nondurable goods, including food, fiber, chemicals, etc.		4812	Boat dealers
0034	Residential building	2659	Selling for your own account	4838	Hobby, toy, and game shops
0059	Nonresidential building	2675	Agent or broker for other firms—more than 50% of gross sales on commission	4853	Camera and photo supply stores
0075	Highway and street construction	Retail Trade—Selling Goods to Individuals and Households			
3889	Other heavy construction (pipe laying, bridge construction, etc.)				
Building trade contractors, including repairs					
0232	Plumbing, heating, air conditioning				
0257	Painting and paper hanging				
0273	Electrical work				
0299	Masonry, dry wall, stone, tile				
0414	Carpentering and flooring				
0430	Roofing, siding, and sheet metal				
0455	Concrete work				
0471	Water well drilling	3012	Selling door-to-door, by telephone or party plan, or from mobile unit	Real Estate, Insurance, Finance, and Related Services	
0885	Other building trade contractors (excavation, glazing, etc.)	3038	Catalog or mail order	5512	Real estate agents and managers
Manufacturing, Including Printing and Publishing		3053	Vending machine selling	5538	Operators and lessors of buildings (except developers)
0612	Bakeries selling at retail	Selling From Store, Showroom, or Other Fixed Location		5553	Operators and lessors of other real property (except developers)
0638	Other food products and beverages	3079	Eating places (meals or snacks)	5710	Subdividers and developers, except cemeteries
0653	Textile mill products	3095	Drinking places (alcoholic beverages)	5736	Insurance agents and services
0679	Apparel and other textile products	3210	Grocery stores (general line)	5751	Security and commodity brokers, dealers, and investment services
0695	Leather, footwear, handbags, etc.	0612	Bakeries selling at retail	5777	Other real estate, insurance, and financial activities
0810	Furniture and fixtures	3236	Other food stores (meat, produce, candy, etc.)	Transportation, Communications, Public Utilities, and Related Services	
0836	Lumber and other wood products	3251	Liquor stores	6114	Taxis/cabs
0851	Printing and publishing	3277	Drug stores	6312	Bus and limousine transportation
0877	Paper and allied products	Automotive and service stations		6338	Trucking (except trash collection)
0893	Chemicals and allied products	3319	New car dealers (franchised)	6510	Trash collection without own dump
1016	Rubber and plastics products	3335	Used car dealers	6536	Public warehousing
1032	Stone, clay, and glass products	3517	Other automotive dealers (motorcycles, recreational vehicles, etc.)	6551	Water transportation
1057	Primary metal industries	3533	Tires, accessories, and parts	6619	Air transportation
1073	Fabricated metal products	3558	Gasoline service stations	6635	Travel agents and tour operators
1099	Machinery and machine shops	General merchandise, apparel, and furniture		6650	Other transportation and related services
1115	Electric and electronic equipment	3715	Variety stores	6676	Communication services
1313	Transportation equipment	3731	Other general merchandise stores	6692	Utilities, including dumps, snowplowing, road cleaning, etc.
1339	Instruments and related products	3756	Shoe stores	Services (Providing Personal, Professional, and Business Services)	
1883	Other manufacturing industries	3772	Men's and boys' clothing stores	Hotels and other lodging places	
Mining and Mineral Extraction					
1511	Metal mining	3913	Women's ready-to-wear stores	7096	Hotels, motels, and tourist homes
1537	Coal mining	3921	Women's accessory and specialty stores and furriers	7211	Rooming and boarding houses
1552	Oil and gas	3939	Family clothing stores	7237	Camps and camping parks
1719	Quarrying and nonmetallic mining	3954	Other apparel and accessory stores	Laundry and cleaning services	
Agricultural Services, Forestry, and Fishing					
1917	Soil preparation services	3970	Furniture stores	7419	Coin-operated laundries and dry cleaning
1933	Crop services	3996	TV, audio, and electronics	7435	Other laundry, dry cleaning, and garment services
1958	Veterinary services, including pets	3988	Computer and software stores	7450	Carpet and upholstery cleaning
1974	Livestock breeding	4119	Household appliance stores	7476	Janitorial and related services (building, house, and window cleaning)
1990	Other animal services	4317	Other home furnishing stores (china, floor coverings, drapes, etc.)	Business and/or personal services	
2113	Farm labor and management services	4333	Music and record stores	7617	Legal services (or lawyer)
2212	Horticulture and landscaping	Building, hardware, and garden supply		7633	Income tax preparation
2238	Forestry, except logging	4416	Building materials dealers	7658	Accounting and bookkeeping
0836	Logging	4432	Paint, glass, and wallpaper stores	7674	Engineering, surveying, and architectural
2279	Fishing, hunting, and trapping	4457	Hardware stores	Personal services	
Wholesale Trade—Selling Goods to Other Businesses, Government, or Institutions, etc.					
Durable goods, including machinery, equipment, wood, metals, etc.		4473	Nurseries and garden supply stores	7690	Management, consulting, and public relations
2618	Selling for your own account	Other retail stores		7716	Advertising, except direct mail
Other business services					
Personal services					
Automotive services					
Miscellaneous repair, except computers					
Medical and health services					
Amusement and recreational services					
8888 Unable to classify					