

Home Office Deduction Worksheet

To claim a home office deduction, you must pass the "regular and exclusive use" test. This worksheet documents your calculation for IRS purposes. Keep with your tax records.

STEP 1 — QUALIFY: REGULAR & EXCLUSIVE USE TEST

Is this space used REGULARLY for business?	Yes / No
Is this space used EXCLUSIVELY for business (no personal use)?	Yes / No
Is this your principal place of business, OR used to meet clients?	Yes / No
If employee: does your employer require you to work from home?	Yes / No / N/A

If you answered No to the first three questions, you do not qualify. Stop here.

STEP 2 — MEASURE YOUR OFFICE

Office area (length x width)	_____ ft x _____ ft	= _____ sq ft (Line A)
Total home square footage		= _____ sq ft (Line B)
Business use percentage (A ÷ B)		= _____ % (Line C)

STEP 3 — CALCULATE DEDUCTIBLE EXPENSES (Actual Expense Method)

Expense Category	Annual Amount Paid	× Line C %	Deductible Amount
Rent (or Mortgage Interest — NOT principal)	\$ _____	× _____%	\$ _____
Real estate taxes	\$ _____	× _____%	\$ _____
Utilities (electric, gas, internet)	\$ _____	× _____%	\$ _____
Homeowners / Renters insurance	\$ _____	× _____%	\$ _____
Home repairs benefiting entire home	\$ _____	× _____%	\$ _____
Depreciation (calculated separately)	N/A		\$ _____
TOTAL DEDUCTIBLE HOME OFFICE EXPENSE			\$ _____

SIMPLIFIED METHOD ALTERNATIVE

\$5 per square foot of office space, up to 300 sq ft maximum = **max \$1,500 deduction**. No depreciation recapture when you sell your home. Compare both methods and choose the higher one.

Simplified Method: _____ sq ft × \$5 = \$ _____ deduction