

1. Rideshare company likely has not taken out taxes, social security, or Medicare. Driver is responsible for those.
2. May be required for filed quarterly estimated income taxes.
3. Report on Schedule C and Schedule SE (if net income is greater than \$400).
4. Rideshare companies do not track/report all the information driver needs to minimize taxes, so critical for driver to keep records.
  - a. Mileage log
    - i. Commuting not deductible (first leg from house to pick up passenger, and drive home after dropping last passenger)
    - ii. Personal driving (e.g., lunch) not deductible
    - iii. Deductible includes repositioning to an area to improve chance of receiving dispatch, driving to pick up passengers, driving with passenger on board.
  - b. Receipts or documentation for all other deductible expenses.
  - c. Doesn't hurt to keep receipts for non-deductible expenses (e.g., gas, maintenance, etc. even when using standard mileage deduction)
5. Auto expense deduction
  - a. Can deduct either actual expenses or standard mileage
  - b. Actual expenses is out of scope for Tax-Aide, so TP will need to go to paid preparer if they want that.
  - c. Most online guides suggest standard mileage is best option for most drivers.
  - d. If taking standard mileage, cannot deduct
    - i. Depreciation, lease payments, maintenance and repairs, gasoline (including gasoline taxes), oil, insurance, or vehicle registration fees.
6. Other deductible expenses
  - a. Water, gum, snacks for passengers
  - b. Tolls, parking fees, airport fees
  - c. Mobile phone, chargers, cables, data plan, etc.
    - i. Must either have dedicated phone (or tablet, etc.), or
    - ii. Must document how much your phone is used for personal use vs. work
      1. Various methods online for estimating percentage work vs. personal. Key seems to be to use one method consistently.
  - d. Even if taking standard mileage, can still deduct detailing (cleaning) and car washes as added vehicle expenses.
  - e. Rideshare commercial insurance (not normal auto insurance).
7. Rideshare company
  - a. Must provide 1099-K if they processed more than 200 transactions and \$20,000 in payments.
  - b. Must provide 1099-MISC for non-driving related payments greater than \$600, e.g., referrals or other bonuses.

- c. Reporting is not consistent among Rideshare companies. E.g.,
  - i. Uber provides 1099-K for all drivers, and a document with info on some of the items that can be deducted (Uber commission, miles with passenger in car)
  - ii. Lyft gives on-trip miles and total miles in driver mode, but not any deductible miles outside of driver mode.
  - iii. If rideshare company chooses to not provide a 1099-K or other statement of revenue for the driver, then driver will have to provide all data.
- 8. 1099-K will report all money the rideshare company collected, not just what is taxable for the driver.
  - a. Rideshare company may provide another document showing their commissions, fees (e.g., airport, parking, tolls, safe ride fee, split fare fee), phone rental payments, etc. that should be listed as business expenses for the driver. If company does not provide this, driver will have to rely on their records.
    - i. For Uber specifically, for mileage with a paying passenger or the amounts Uber withheld (commissions etc.) look on the 2016 Tax Information link on the payments page of the driver's Uber driver account. There is a summary sheet linked at the bottom and it shows the fees they took out as well as the mileage for the trips.
- 9. Examples of Uber documents from TY 2014 at <http://quickbooks.intuit.com/r/driver/tax-help-uber-drivers-file-uber-1099/>.
- 10. H&R Block 2015 guide at <https://www.hrblock.com/pdf/Partner-Facing-Guide-FAQ-Combined.pdf>.
- 11. Example of different rideshare mileage reporting at <http://therideshareguy.com/what-to-do-with-all-the-extra-miles-from-driving-for-uber-and-lyft/>.