

## **Parents deserve a (tax) break**

### **If I ran the IRS, here's what would be tax-deductible.**

I'm a cook, chauffeur, and maid, not to mention DJ, video technician, and childhood-development specialist. Being a stay-at-home parent is more than a full-time job, it's like running a family business. Therefore, I think the expenses I incur in running my business should be tax--deductible. The folks at the IRS might not agree, but let's see them try running a household with two small children.

Here's *my* suggested Schedule F (for family), a list of stay-at-home-parent tax deductions.

**1. Meals and entertainment expenses.** In the course of doing business, I naturally must feed and entertain my clients, i.e., our two daughters. My expenses in this area include meals eaten outside the home, including pizza and ice cream, as well as costs associated with trips to the zoo and rides on the mall merry-go-round.

Failure to provide such meals and entertainment would result in increased tantrums and grouchiness. This would imperil my ability to close deals, namely, enticing the children to get into their car seats, keep their shoes on, and refrain from yelling inside the house or vehicle.

**2. Business supplies.** While fulfilling my professional duties, I utilize various supplies, including, but not limited to, diapers, wet wipes, laundry detergent, and tissues.

**3. Transportation expenses.** These include mileage for trips to the clients' favored destinations – preschool, the park, and the library – as well as deductions for stained and torn car upholstery. There are also additional deductions for the use of alternate modes of transportation including stroller, wagon, tricycle, and "big-girl's bike."

**4. Business use of the home.** According to the IRS, if your home is your principal place of business and is "a place to meet patients, clients, or customers," then home costs related to the business uses are deductible. Yes! I'm not a street performer – I use an indoor facility, namely, a house, in which to conduct business with my two clients. Deductions could include the mortgage payment, as well as taxes and insurance on the domicile.

**5. Repairs to capital-cost items.** Such expenses include, but are not limited to, fixing broken panes of glass, removing Magic Marker from couches and other furniture, and replacing defoliated houseplants.

**6. Capital expenses.** The IRS specifies costs in two categories that work well for stay-at-home parents:

**A. Business assets.** Deductions would include the value of the standard household equipment and machinery that I use to service the clients, i.e., refrigerator, washer/dryer, and television/DVD player.

**B. Improvements.** This includes upgrades to the business facility, such as the coat of paint I put on the porch last year and the caulking I applied around the bathtub.

The IRS may look askance at these deductions. In fact, I *know* they would look askance. After all, I have yet to generate any income from the aforementioned business, and that can be a stumbling block in claiming thousands of dollars in deductions.

But the profits will come, as I've told shareholders such as the grandparents – and as I'll tell the IRS. We've got great clients (the kids), and the management team (the wife and I), is solid.

I think the IRS could help by bringing the tax code into line with the realities of a 21st-century home-based family business.

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