

Home Office Expense Report

A template for S-Corp owners to calculate and submit home office expenses for reimbursement under an accountable plan.

EXPENSE REPORT INSTRUCTIONS

This form is to be used by employee-shareholders of an S-Corporation to request reimbursement for legitimate business expenses under the company's accountable plan. To ensure compliance with IRS regulations, please complete this form accurately and attach all required receipts and documentation.

Home Office Deduction Calculation

There are two methods for calculating your home office expense reimbursement. You must choose one method for the tax year.

1. The Regular (or Actual Expense) Method

This method involves calculating the percentage of your home that is used exclusively and regularly for business. This percentage is then applied to your total indirect home expenses.

- **Step 1:** Calculate your Business Use Percentage by dividing the square footage of your home office by the total square footage of your home.
- **Step 2:** List all your indirect home expenses for the period (e.g., mortgage interest, rent, utilities, insurance).
- **Step 3:** Multiply the total of your indirect expenses by your Business Use Percentage to find the reimbursable amount.

2. The Simplified Method

The IRS offers a simplified option for taxpayers who prefer not to keep detailed records of actual expenses.

- **Calculation:** \$5 per square foot of the home used for business.
- **Limitation:** The deduction is capped at a maximum of 300 square feet, for a total maximum reimbursement of \$1,500 per year (\$125 per month).

Note: A home office qualifies as your principal place of business if you use it exclusively and regularly for administrative or management activities of your business and you have no other fixed location where you conduct substantial administrative or management activities.

EXPENSE REIMBURSEMENT FORM

Employee: _____

Date: _____

Period: From _____ To _____

Home Office Expenses (Regular Method)

Expense Category	Total Amount
Mortgage Interest	\$_____
Real Estate Taxes	\$_____
Rent	\$_____
Homeowners Insurance	\$_____
Utilities (Electric, Gas, Water)	\$_____
Repairs & Maintenance	\$_____
HOA Dues	\$_____
Other: _____	\$_____
Total Indirect Expenses	\$_____

Home Office SqFt: _____

Total Home SqFt: _____

Business Use %: _____ %

Home Office Reimbursement: \$_____

Other Business Expenses

Expense Category	Details	Reimbursement
Cell Phone	Total Bill: \$_____ x Business Use: ____%	\$_____

Expense Category	Details	Reimbursement
Mileage	____ Miles x \$0.70/mile (2025 Rate)	\$ _____
Travel	(Attach receipts)	\$ _____
Meals	(Attach receipts)	\$ _____
Supplies	(Attach receipts)	\$ _____
Total Other Expenses		\$ _____

TOTAL REIMBURSEMENT DUE:

\$ _____

Employee Signature

Approved By