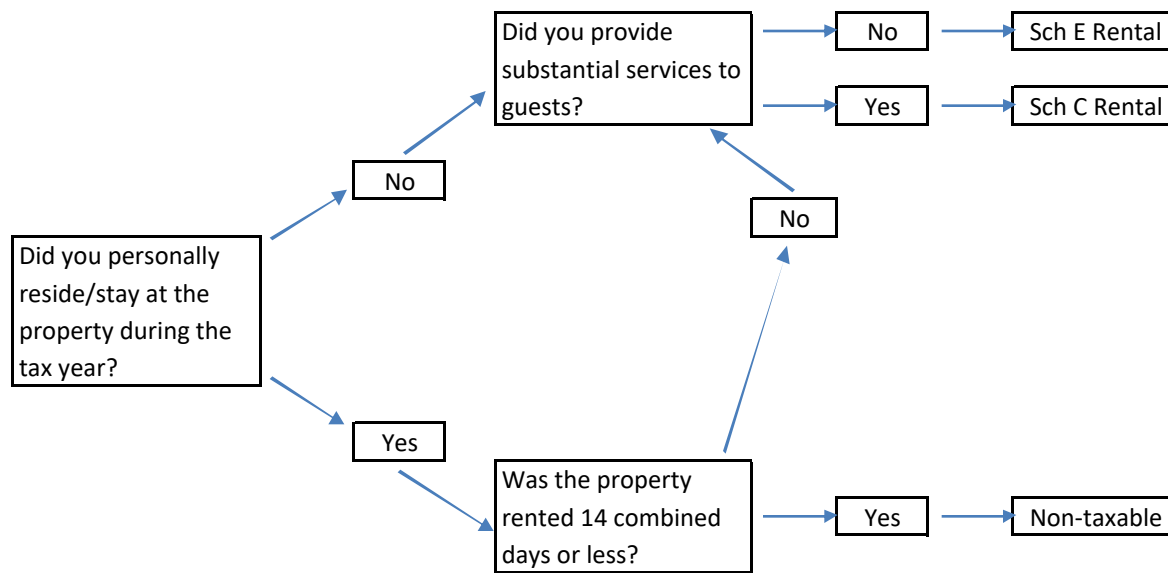


Where to report your rental activity



Schedule E Rentals– Most common classification; occurs when a host does not provide “substantial services” to their guests. This income is not subject to self-employment tax.

Schedule C Rentals– A rental will typically fall into this category when “substantial services” are provided to guests, though there are other rare cases where this can occur. This income is subject to self-employment tax.

Non-Taxable Rentals– A rental may not be taxable (no matter how substantial the amount) if the (1) property was used by a host personally as a residence during the year, AND (2) it was not rented at a fair rental price for more than 14 combined days during the year. The only deductions allowed related to the rental will be otherwise deductible property taxes and mortgage interest (Sch. A). When this is the case special reporting procedures must be taken on your tax return to avoid IRS Form 1099 matching errors.

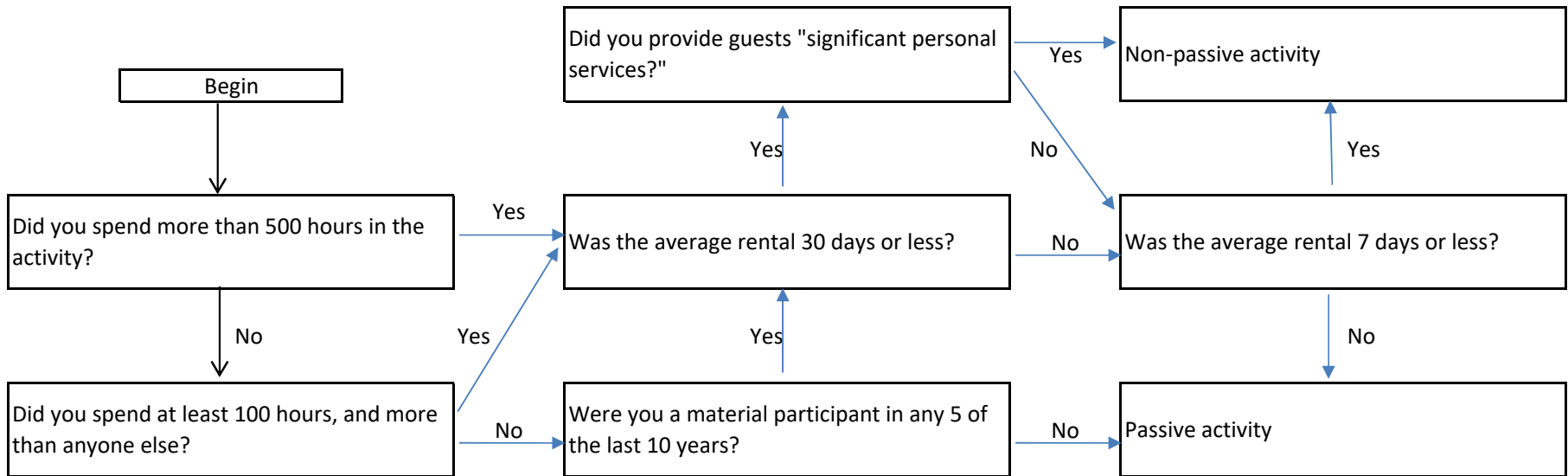
Insubstantial Services:

- * heating and a/c
- * water and gas
- * internet and wifi
- * cleaning of common areas
- * repairs/maintenance
- * trash collection
- * payment of HOA fees

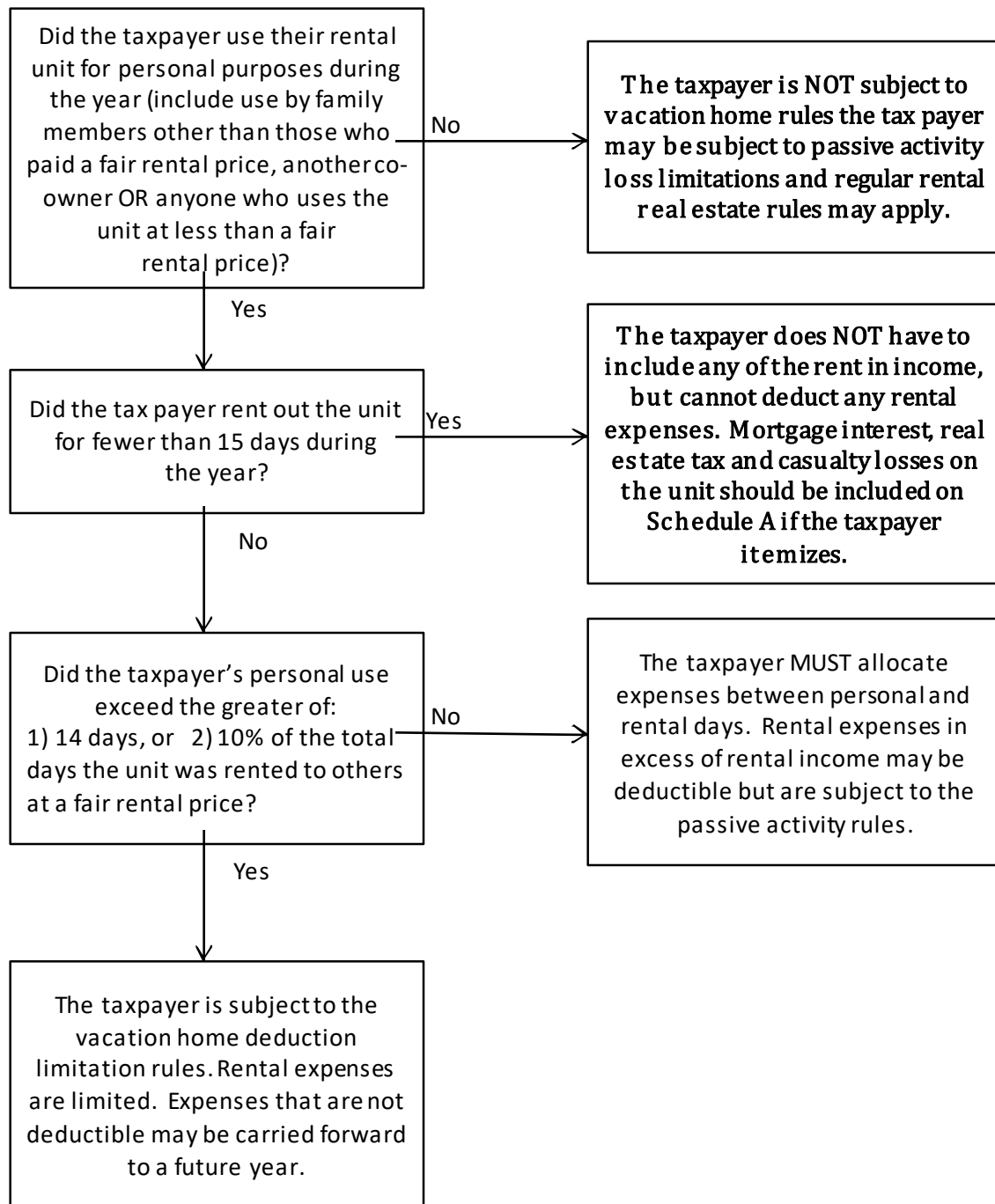
Substantial Services:

- * cleaning of rental portion while occupied
- * concierge services
- * guest tours and outings
- * meals and entertainment
- * transportation
- * other hotel-like services

Is my rental a passive activity?



Vacation Home Rules: is the taxpayer subject to these rules?



What is deductible for my vacation home?

