

DEDUCTIONS GUIDE

common creator write-offs

Creator MONEY

Creator Tax Deduction Guide

What are deductions?

Deduction/write off/business expenses. These all basically mean the same thing.

Business deductions lower your taxable income, which means you pay tax on less money.

For example:

> You make $100,000 (revenue)
>
> You spend $50,000 (business expenses)
>
> You net $50,000 (profit)
>
> The $50,000 in expenses reduces the amount of money you have to pay taxes on. If you are an LLC, you are taxed on the $50k profit, not the $100k revenue.

For an expense to be deductible, it must be ordinary and necessary for YOUR specific business.

- An "ordinary" expense is one that is common and accepted in your industry.
- A "necessary" expense is one that is helpful and appropriate for your business.

This is why some creators can write off clothing and nails and others cannot.

For example:

- If you are a fashion creator, the clothing you purchase is considered your product. In that case, those purchases may qualify as a business expense.
- However, if you are a food creator, clothing would generally be considered a personal expense and would not be deductible, even though you want to look good in your content.

Common Creator Deductions

Home Office / Studio

If part of your home is used regularly for your business you can deduct a portion of:

- Rent
- Home insurance
- Utilities
- Desk or studio furniture
- Phone and internet

Software and Tools

- Editing software
- Design tools
- Scheduling platforms
- Cloud storage
- Bookkeeping software

Filming Equipment and Gear

- Cameras
- Lighting equipment
- Microphones
- Props used in content



Travel

If done for business reasons

- Flights
- Hotels
- Transportation / ride shares
- Mileage (if driven)
- 50% of meals

Marketing

- Ads on platforms
- Agency fees
- Branded merch
- Subscriptions to analytic tools
- Website hosting

Professional Services / Contractors

- Bookkeeper
- Accountant
- Financial planner (me!)
- Attorney
- Editor
- Photographer

Education

If related to your business

- Courses
- Conferences
- Workshops

Common Creator Deductions Explained

Home Office

- The term “home” includes a house, apartment, condominium, mobile home, boat or similar property.
- Only deduct the portion of your home you use for your business.
    - $5 per square foot of space, up to 300 square feet.

Phone Expenses/Internet:

- If you have dedicated business phone/line, deduct 100%.
- For personal use, deduct percentage of bill that is business use.
- This percentage doesn’t need to be perfect to the minute. It just needs to be reasonable and backed by some documentation.

Travel

- Only account for the portion that was business travel
- Can include 50% of meals.
- Entertainment while traveling is most likely not deductible.

Mileage

- Driving to Walmart to do a brand deal? Track it. Track it. Driving to meet a business coach? track it. Driving to another city for a conference? Track it.
- Only account for miles driven, not gas spent.
- Tolls and parking fees are a separate business expense that can be deducted.

What to Bring to Your Tax Preparer

Having these items ready makes tax filing much smoother.

Creator Business Documents:

- ☐ Detailed income summary for the year
- ☐ All 1099 forms received
- ☐ Business bank and credit card statements
- ☐ Quarterly tax payments made
- ☐ Categorized business expenses summary
- ☐ List of gifted products received
- ☐ Payment platform summaries (Stripe, PayPal, Shopify, etc.)



Items to Reduce Your Tax Liability:

- ☐ Equipment purchases (cameras, lighting, computers)
- ☐ Mileage tracked for business travel
- ☐ Home office deduction information
- ☐ Log of business meals

Family Tax Documents:

- ☐ Prior year tax return
- ☐ W-2 income from jobs
- ☐ Investment income forms
- ☐ Bank interest statements
- ☐ Mortgage interest statements
- ☐ Property tax statements
- ☐ Charitable donations
- ☐ Retirement contributions
- ☐ HSA contributions
- ☐ 529 Contributions
- ☐ Student loan interest forms
- ☐ Childcare/nanny expenses

The more organized your records are, the faster and less expensive tax preparation will be. And good records may help you pay less in taxes!

What Creators Must Report as Income

Many creators assume they only report income listed on a 1099 form.

This is not true.

You must report **all income earned**, even if it was $1, and you never received a tax form.

Common Income Sources:

- ✓ Brand deals and sponsorships
- ✓ Affiliate commissions
- ✓ Creator platform payouts
- ✓ Digital products
- ✓ Courses or memberships
- ✓ Ad revenue
- ✓ Consulting or speaking
- ✓ Gifts or products received for promotion



Note: If gifts or valuable items are received because of your content, **they are usually taxable.** Keep track of these to make better decisions come tax time.







Ready to take the “money work” off your plate?

If you’d rather focus on creating content and growing your business, I’d love to help. Book a no-strings-attached call:

creatormoney.com