

## Allowable Deductions

Schedule A of the Tax Report form lists all deduction codes regardless of the Revenue Activity Code used. Please refer to the following table for the allowable deductions for each revenue activity.

Activity		
Code	Activity Description	Allowable Deduction Codes
1	Transportation	D, F, H, J, R
2	Mining, Quarrying, etc.	D, F, H, J, R
3	Timbering, etc.	D, F, H, J, R
4	Utilities	B, D, F, G, H, J, Q, R
5	Communications	B, D, F, H, J, Q, R
7	Manufactured Housing	D, F, H, J, R
8	Advertising	B, D, F, H, J, R
9	Publishing	B, D, F, H, J, Q, R
10	Job Printing	B, D, F, H, J, O, Q, R
11	Restaurants	B, D, F, H, J, N, Q, R
12	Amusements	D, F, H, J, R
13	Rental of Real Property	B, D, F, H, J, M, N, Q, R
14	Hotel/Motel	D, F, H, J, R
15	Construction Contracting	C, F, H, J, S, V
16	Rental of Personal Property	B, D, F, H, J, M, N, Q, R
17	Retail Sales	A, B, D, E, F, G, H, I, J, L, M, N, O, Q, R, T, W
18	Food for Home Consumption	B, D, E, F, H, J, N, O, Q, R, W
20	Use Tax Purchases	None Allowed
25	Transient Lodging	F, J

### *Deduction Codes and Descriptions*

- A Retail Service Labor
- B Sales for Resale or Lease or Leases for Re-lease
- C 35% Construction Contracting
- D Discounts Allowed
- E Sales to US Government; 50% if by retailer
- F Total tax collected or factored
- G Sales of Motor Vehicle Gasoline and Use Fuel
- H Bad Debts on which tax was paid
- I Medical Devices, Prosthetics & Prescription Drugs
- J Other Deduction - Explain
- L Lottery Ticket Sales
- M Sales & Leases of Income Producing Capital Equipment
- N Freight Out/Delivery Charges in invoiced separately
- O Out of State Sales & Leases
- Q Sales & Leases to Qualifying Health Organizations
- R Refunds and Returns on which tax was paid
- S Subcontracting for Prime Contractor or Speculative Builder
- T Trade-In Allowance
- V Out of City Construction Contracting
- W Food Stamps / WIC