



EXERCISE 2.4: WEB QUEST

When setting up a Chart of Accounts for a business, it is often helpful to review the tax form that the business will use. Then a company's Chart of Accounts can be customized to track information needed for the tax form. The tax form used by the type of organization is listed below.

Type of Organization	Tax Form
Sole Proprietorship	Form 1040 Schedule C
Partnership	Form 1065
Corporation	Form 1120
S Corporation	Form 1120S

In this exercise, you will download tax forms from the Internal Revenue Service website.

Step 1: Go to the Internal Revenue Service website: www.irs.gov.

Step 2: As shown in the preceding table, a sole proprietorship files tax form Schedule C that is attached to the individual's Form 1040 tax form.

- **Print** or PDF the tax form Schedule C: Profit or Loss From Business (Sole Proprietorship).
- **Highlight** Advertising Expense on the Schedule C.

Step 3: An S Corporation files Form 1120S.

- **Print** or PDF Form 1120S (U.S. Income Tax Return for an S Corporation).
- **Highlight** Advertising Expense on Form 1120S.