

Business vs. Personal Checklist

Keep your books clean, clear, and no fluff.

What Belongs in a Business Account ✓	What Stays in a Personal Account ✗
Income from your business (sales, client payments, platform deposits like Etsy or Stripe)	Rent or mortgage for your personal residence
Materials, Supplies, and packaging used for products or services	Family groceries, household supplies, utilities
Business tools and software subscriptions	Personal medical bills and health insurance premiums
Marketing and advertising costs (ads, website fees, domain, design work)	Entertainment or dining out (unless clearly tied to business)
Professional fees (insurance, licenses, software for business use)	Clothing for everyday use (unless specialized, e.g., safety gear)
Business travel costs (airfare, hotel, mileage tracked separately)	Vacations or leisure travel

Tricky Expenses People Often Misclassify

- 📱 Cell phone bill → May need to split between personal and business use
- ☑️ Internet service → Usually shared; only business portion counts
- ☕ Meals & coffee → Only if tied directly to a business meeting
- 🚗 Vehicle expenses → Track mileage or costs separately for business use
- 🏠 Home office space → Must be exclusively used for business, not shared areas like the couch or kitchen table

Quick Tip

If you're not sure where an expense belongs, **default to personal** until you've documented why it's business.

Clear lines now = fewer headaches later.