Eligible Expenses for Businesses with a Commercial Lease

What expenses are eligible*?

- Business Rent/Mortgage
  - Base rent
  - Mortgage payments (principal and interest)
  - Property insurance
  - Common area maintenance (CAM) charges, if included in a lease
- Payroll/Employee costs
  - Employee payroll expenses
  - Owner's salary, if it was reported in previous years and is comparable to previous years, or provide owner's payment documentation (e.g. Owner's draw affidavit)
  - Benefits
  - Contracted staff, including Security Guards/Bouncers
  - Payroll processing fees
  - Job posting costs
- Operating Expenses
  - Accounting services
  - Business insurance
  - Cleaning supplies and services
  - Credit card fees
  - Equipment leasing/purchasing
  - Legal services
  - Maintenance/repairs of existing building/property
  - Marketing/advertising/website
  - Office supplies
  - Pest control
  - Software for business operations
  - Storage space, if a direct expense related to running the business
  - Uniforms
  - Utilities for business location
    - Water
    - Gas
    - Electric
    - Phone/Internet
    - Trash Services
    - Alarm Service
- Inventory (includes supplies, but not items for sale)

What expenses are not eligible*?

- Decorative painting/landscaping/signage
- Inventory items for sale
- Loan payments
- Professional development
- Real estate/property taxes
- Refunds for customer order returns or cancellations
- Sales taxes
- Travel expenses

Eligible Expenses for Businesses with a Home Occupancy Permit

Businesses operating with a Home Occupancy Permit and do not have a commercial lease can only spend the award on expenses that the business owner can claim as deductible business expenses on its federal tax return and are in the categories listed above. Please see IRS guidance for additional information:

- Instructions for Schedule C
- Instructions for Form 8829
- Publication 535 Business Expenses

If you have questions about eligible expenses, please email bridgefund3@cfenterprises.org

*not an exhaustive list