

Tax readiness checklist

Homewaala does not process payments — you settle with buyers directly (Zelle, Venmo, cash, or in person), so nothing here is Homewaala-specific tax advice, and this isn't a substitute for a real tax professional. It's a starting point to help you get organized, with links to the actual official sources rather than a Homewaala-made copy of any government form.

Get organized

- Keep a simple running log of what you sold, to whom (or at least the date/amount), and what it cost you to make — a spreadsheet is enough.
- Keep receipts for ingredients, supplies, and any equipment you buy for your home business.
- Set aside a rough percentage of your sales for taxes as you go, rather than trying to find it all at filing time.

Know the basics

(confirm current details on the official sites below)

- Your selling income is generally taxable regardless of whether you receive a 1099-K — the reporting-threshold question is separate from whether the income itself is taxable.
- If you're a sole proprietor, business income/expenses are typically reported on Schedule C with your federal return — see the IRS's own instructions, not a summary here.
- California sellers of tangible goods may need to check whether a seller's permit from the CA Department of Tax and Fee Administration (CDTFA) applies to what you sell.

Official sources (not Homewaala's interpretation)

- IRS Schedule C (Form 1040) and instructions: <https://www.irs.gov/forms-pubs/about-schedule-c-form-1040>
- IRS guidance on Form 1099-K: <https://www.irs.gov/businesses/understanding-your-form-1099-k>
- CDTFA seller's permit information: <https://www.cdtfa.ca.gov/taxes-and-fees/faqseller.htm>
- IRS Small Business and Self-Employed Tax Center:
<https://www.irs.gov/businesses/small-businesses-self-employed>

Talk to a real tax professional about your own specific situation — this checklist is only meant to help you walk in prepared, not to replace that conversation.