

BeemTeamRentals

Drive Tomorrow's Luxury

Co-Hosting & Taxes: A Step-By-Step Guide

Presented by BeemTeamRentals

Co-Hosting & Taxes: A Step-By-Step Guide

1. Understand How the IRS Sees Your Car

When you co-host your BMW with BeemTeamRentals, your vehicle is considered “listed property” if it’s used for business. This means you can deduct certain costs, but you’ll need to track usage carefully (business vs. personal).

2. Track Your Business Use

Keep a log of miles driven for rentals vs. personal use. Example: If 70% of your car’s use is for rentals, you can claim 70% of eligible expenses. Tools: mileage apps (MileIQ, Everlance) or even a notebook.

3. Claim Depreciation

Cars lose value each year — that’s depreciation. As a business asset, you can write off part of that drop in value. Standard method: spread out over several years. Accelerated methods: Section 179 or Bonus Depreciation may allow a larger deduction in the first year (if business use is >50%).

4. Deduct Operating Expenses

Here are the most common write-offs for co-hosted vehicles (business-use portion only): Insurance premiums, Maintenance & repairs, Car washes / detailing, Registration & DMV fees, Parking fees & tolls, Loan interest (if financed).

5. Choose Your Deduction Method

You’ll pick one of two methods each year: Standard Mileage Rate → A flat deduction per mile (67¢/mile in 2024). Actual Expenses → Track all costs and deduct the business percentage. Run both to see which saves more.

6. Keep Records

Save receipts for anything related to the car (repairs, insurance, cleaning). At tax time, organized records = less stress and bigger savings.

7. Consult a Tax Pro

Everyone’s situation is different. A CPA or tax preparer can help you decide between mileage vs. expenses, apply accelerated depreciation correctly, and make sure you stay compliant.

Disclaimer: BeemTeamRentals provides this information for educational purposes only. Always consult with a qualified tax professional before filing.

Visual Flowchart: How to Maximize Tax Benefits

Step 1: Understand IRS Rules → Know how your BMW qualifies as business property.

Step 2: Track Business Use → Log miles or % used for rentals vs. personal.

Step 3: Claim Depreciation → Deduct value loss of your car as a business asset.

Step 4: Deduct Expenses → Write off insurance, repairs, registration, and more.

Step 5: Choose Deduction Method → Standard mileage vs. actual expenses.

Step 6: Keep Records → Save receipts and logs for proof at tax time.

Step 7: Consult a Tax Pro → Ensure compliance and maximize deductions.