

Entertainment Industry Deduction Guide

Deductions for actors, musicians, and crew with self-employment income · Current as of July 2026

Performers and crew are often self-employed for at least part of their income. When you are, you can deduct the ordinary and necessary costs of getting and doing the work. Keep your W-2 (employee) and 1099 (self-employed) income separate, because the deduction rules differ.

Common industry deductions

- Agent and manager commissions
- Union dues (for example SAG-AFTRA), professional memberships
- Coaching, lessons, and classes that maintain or improve your craft
- Wardrobe and makeup used exclusively for a role (not everyday wear)
- Instruments, equipment, and rehearsal or studio space
- Travel and per diem while on location, promotional materials and headshots

Structure and tax

- Self-employment tax of 15.3% applies to your self-employed income
- Quarterly estimates when you expect to owe \$1,000+ after withholding
- A loan-out company (often an S-corp) can make sense at higher, steady income; an Enrolled Agent can model whether it saves you money

Keep: a mileage log, receipts by category, and call sheets or contracts that tie an expense to a job. Documentation is what turns a plausible deduction into a defensible one.

Talk through your year: arcandledger.com/contact/