

KEY EXPENSES

OUT-OF-TOWN TRAVEL:

Expenses incurred when traveling away from "home" overnight for job-related reasons that were not reimbursed or reimbursable by your employer are deductible. Your "home" is generally considered to be the entire city or general area where your principal place of employment is located. Out-of-town expenses include transportation, meals, lodging, tips and miscellaneous items like laundry, valet, etc.

Document your away-from-home expenses by noting the date, destination and business purpose of your trip. In addition, keep a detailed record of your expenses – lodging, public transportation, meals, etc. Always list meals and lodging separately in your record. Receipts must be retained for each lodging expense. However, if any other business expense is less than \$75, a receipt is not necessary if you record all of the information timely in a diary. Keep track of the full amount of meal and entertainment expenses even though only a portion of the amount may be deductible.

OFFICE EXPENSES:

Use this section to record miscellaneous expenses of supplies and services you are responsible for when you are on the road. For example, you may be required to fax or mail an important document back to your home office; such expenses are deductible if they are not reimbursed by your employer.

SUPPLIES:

Generally, to be deductible, items must be ordinary and necessary to your job. If you are an employee, only amounts not reimbursable by your employer are deductible. Record separately items having a useful life of more than one year. These items must be reported differently on your tax return than recurring everyday business expenses such as maps. If you are required to wear a uniform, the cost and upkeep may be deductible. IRS rules specify that expenses for work clothing and its maintenance are deductible if: (1) the uniforms are required by your employer (if you are an employee); and (2) the clothes are not adaptable to ordinary street wear.

COMMUNICATION EQUIPMENT:

When communication equipment, such as a cell phone, is used part for business and part personally the cost of the equipment must be allocated to deductible business use and non-deductible personal use. Keep your bills for cellular phone use and mark all business calls.

FEES & DUES:

Union or other professional dues are deductible. Amounts paid to a union that are meant to go toward defraying your personal expenses are not deductible. However, any portion of the union payments that goes into a strike fund is deductible.

MISCELLANEOUS EXPENSES:

Record expenses that don't easily fit in other categories. For example, if you look for a job in the same line of work, you may deduct the expenses. Such expenses could include mileage to interviews, resume preparation, etc.



Occupational Series

