

## Discussion Items for Boilermakers Local 83:

1. Record keeping requirement:
  - a. You must keep records supporting your tax deduction.
  - b. Records include; mileage logs, lodging receipts, and cancelled checks.
2. Union Dues:
  - a. Only dues paid by you or withheld from your paycheck are deductible.
  - b. Amounts paid by an employer were not paid by you and are not deductible.
3. Work Clothing:

To be deductible, uniforms and work clothing must be required as a condition of employment and not suitable for street wear. Deductible items include:

i. Required Uniforms,	v. Hard hats
ii. Steel-toed boots,	vi. Welding protection,
iii. Eye protection,	vii. Knee pads,
iv. Work gloves,	viii. Coveralls (Insulated)
4. Definition of out of town travel. (An overnight stay is required)
  - a. Receipts for lodging are required. (Lodging per diem is not available for employee tax deduction. It is only allowed for employer reimburse to employees.)
  - b. Mileage logs are required. BML83 provides calendars. (See example)
  - c. Meals and Incidental Expenses while out of town. (Actual vs. Per-diem)  
(Unless rate listed in table, M&IE Per Diem Rate for 10/1/ 2009 – 9/30/ 2010 =\$46/day)  
(IRS Per Diem Tables-Publication 1542: <http://www.irs.gov/pub/irs-pdf/p1542.pdf>)
5. “Temporary” vs. “Indefinite” out of town work:
  - a. Permanent address requirement. For work to be temporary, you must maintain a permanent address to which you intend to return. It’s not temporary if you only have one place to live at the job location.
  - b. Less than one year. –
    - i. Section 1938 of the Energy Policy Act of 1992 (P.L. 102-486) amended code section 162(a)(2) provides that a taxpayer will not be treated as being temporarily away from home during any period of employment if that period exceeds one year. Travel expenses incurred in connection with a temporary work assignment away from home are deductible under section 162(a)(2).
    - ii. In Revenue Ruling 93-86, the Service holds that if employment away from home in a single location is realistically expected to last (and does in fact last) for one year or less, the employment is temporary, in the absence of facts and circumstances indicating otherwise.
  - c. More than one year.
    - i. If employment away from home in a single location is realistically expected to last for more than one year, or there is no realistic expectation that the employment will last for one year or less, the employment is indefinite, regardless of whether it actually exceeds one year. Travel expenses incurred in connected with an indefinite or permanent work assignment are generally nondeductible.
  - d. Examples:
    - i. Situation 1, Taxpayer realistically expects that the work in City 2 would last only 6 months, and it did in fact last less than 1 year. Because Taxpayer had always intended to return to City 1 at the end of Taxpayer’s employment in City 2, the City 2 employment is temporary. Thus, Taxpayer’s travel expenses paid or incurred in City 2 are deductible.
    - ii. Situation 2, Taxpayer realistically expects that the work in City 2 would last longer than 1 year. Even though it actually lasted less than 1 year Taxpayer’s employment in City 2 is indefinite. Thus, Taxpayer’s travel expenses paid or incurred in City 2 are nondeductible.
    - iii. Situation 3, Taxpayer at first realistically expected that the work in City 2 would last only 9 months. However, due to changed circumstances occurring after 8 months, it became clear employment would last for 15 months. It was no longer realistic for Taxpayer to expect that the employment in City 2 would last for 1 year or less. Therefore, Taxpayer’s employment in City 2 is temporary for 8 months and indefinite for the remaining 7 months. Thus, Taxpayer’s travel expenses paid or incurred in City 2 during the first 8 months are deductible, but Taxpayer’s travel expenses paid or incurred thereafter are nondeductible.

2009/10  
Dec/Jan

WEEK 52

<b>28 MONDAY</b>		362/3
8		1
9		2
10		3
11		4
12 Noon		5
<b>29 TUESDAY</b>		363/2
8		1
9		2
10		3
11		4
12 Noon		5
<b>30 WEDNESDAY</b>		364/1
8		1
9		2
10		3
11		4
12 Noon		5
<b>31 THURSDAY</b>		New Year's Eve 365/0
8		1
9		2
10		3
11		4
12 Noon		5

BEGINNING  
ODOMETER

36,151

"Everything is funny as long as it is happening  
to somebody else."

- Will Rogers

JOB

MILES LODGE MEALS

<b>1 FRIDAY</b>		New Year's Day 1/364	
8 COMPANY NAME	150	\$75	\$56.19
9 WICHITA KS			2
10			3
11			4
12 Noon			5
<b>2 SATURDAY</b>			2/363
8	/	\$75	1
9 HOME			2
10			3
11			4
12 Noon			5
<b>3 SUNDAY</b>			3/362
8 COMPANY	150	\$75	\$56.19
9 WICHITA			2
10			3
11			4
12 Noon			5

DECEMBER							JANUARY							FEBRUARY							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
			1	2	3	4	5					1	2			1	2	3	4	5	6
6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13	
13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20	
20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27	
27	28	29	30	31			24	25	26	27	28	29	30	28							
							31														

YTD ENDING

300

\$225

\$112

EXAMPLE

2010  
January

YTD  
Beg 300 \$225 \$112

	Miles	Loose	WEEK MEALS
4 MONDAY			4/361
8 COMPANY NAME	15	\$75	\$56 1
9 WICHITA KS			2
10			3
11			4
12 Noon			5
5 TUESDAY	15	\$75	\$56 0
8			1
9			2
10			3
11			4
12 Noon			5
6 WEDNESDAY	15	\$75	\$56 9
8			1
9			2
10			3
11			4
12 Noon			5
7 THURSDAY	15	\$75	\$56 8
8			1
9			2
10			3
11			4
12 Noon			5

"You will make all kinds of mistakes; but as long as you are generous and true, and also fierce, you cannot hurt the world or even seriously distress her."

- Winston Churchill

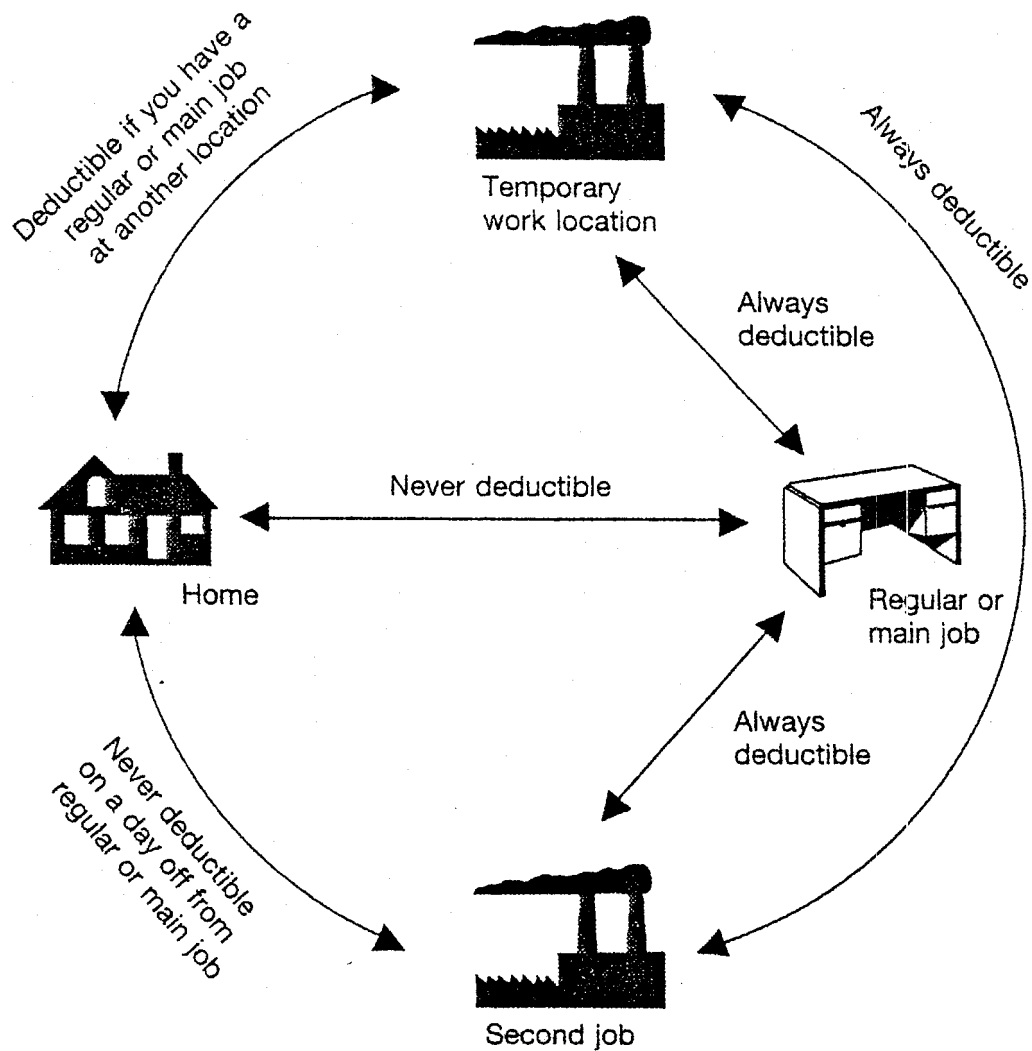
	Miles	Loose	MEALS
8 FRIDAY			8/357
8 COMPANY NAME	158	\$75	\$56 1
9 WICHITA KS			2
10			3
11			4
12 Noon			5
9 SATURDAY	/	\$75	9/356
8			1
9 HOME			2
10			3
11			4
12 Noon			5
10 SUNDAY			10/355
8 COMPANY NAME	150	\$75	/ 1
9 WICHITA KS			2
10			3
11			4
12 Noon			5

DECEMBER							JANUARY							FEBRUARY						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5			1	2					1	2	3	4	5	6	
6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13
13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20
20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27
27	28	29	30	31			24	25	26	27	28	29	30	23						
							31													

YTD ENDING 668 \$750 \$330

EXAMPLE

## When Local Transportation Expenses Are Deductible Assuming No Qualified Home Office



A work site is considered temporary if employment is expected to last (and does last) one year or less. (Rev. Rul. 99-7)