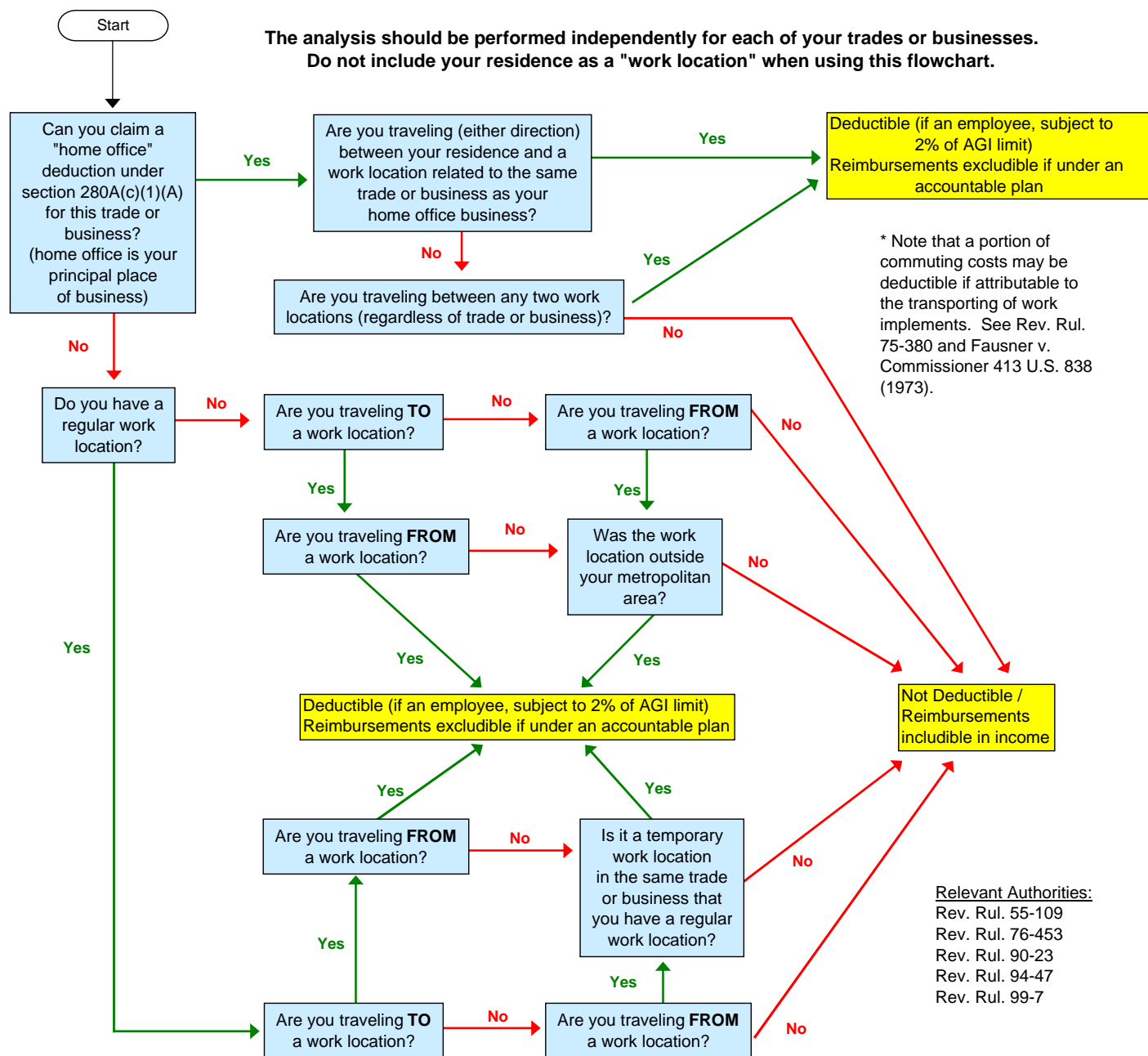


Deductibility of Commuting / Transportation Costs

(Questions are in blue. Results are in yellow.)



Excerpt from Rev. Rul. 99-7: "In general, daily transportation expenses incurred in going between a taxpayer's residence and a work location are nondeductible commuting expenses. . . . (1) A taxpayer may deduct daily transportation expenses incurred in going between the taxpayer's residence and a temporary work location outside the metropolitan area where the taxpayer lives and normally works. However, unless paragraph (2) or (3) below applies, daily transportation expenses incurred in going between the taxpayer's residence and a temporary work location within that metropolitan area are nondeductible commuting expenses.

(2) If a taxpayer has one or more regular work locations away from the taxpayer's residence, the taxpayer may deduct daily transportation expenses incurred in going between the taxpayer's residence and a temporary work location in the same trade or business, regardless of the distance. . . .

(3) If a taxpayer's residence is the taxpayer's principal place of business within the meaning of §280A(c)(1)(A), the taxpayer may deduct daily transportation expenses incurred in going between the residence and another work location in the same trade or business, regardless of whether the other work location is regular or temporary and regardless of the distance.

. . . If employment at a work location is realistically expected to last (and does in fact last) for 1 year or less, the employment is temporary . . . The determination that a taxpayer's residence is the taxpayer's principal place of business within the meaning of §280A(c)(1)(A) is not necessarily determinative of whether the residence is the taxpayer's tax home for other purposes, including the travel-away-from-home deduction under §162(a)(2).

Disclaimer

This flowchart has **NOT** been verified for accuracy. You should consult a tax professional for individual advice regarding your own situation. This flowchart is not updated for changes in the tax laws and should not be relied upon for any purpose whatsoever.