

## ■ CAN I DEDUCT MY MOVING EXPENSES?

If you moved due to a change in your job or business location, or because you started a new job or business, you may be able to deduct your reasonable moving expenses. To qualify for the moving expense deduction, you must satisfy two tests.

**DISTANCE TEST:** your new workplace must be at least 50 miles farther from your old home than your old job location was from your old home. If you had no previous workplace, your new job location must be at least 50 miles from your old home.



**TIME TEST:** If you are an employee, in general you must work full-time for at least 39 weeks during the first 12 months immediately following your arrival in the general area of your new job location. If you are self-employed, you must work full time for at least 39 weeks during the first 12 months and for a total of at least 78 weeks during the first 24 months immediately following your arrival in the general area of your new work location. There are some specific, very limited exemptions to the time test which include death, disability and involuntary separation.

**ARMED FORCES:** If you are a member of the armed forces and your move was due to a military order and permanent change of station, you do not have to satisfy the "distance or time tests."

**WHAT CAN BE DEDUCTED?** The cost of packing, crating and transporting your personal property and household goods, as well as the cost of storing and insuring these items while in transit, and costs to connect or disconnect utilities are deductible. Lodging expenses for yourself and your household members while moving from your former to your new home, and transportation expenses including airfare, vehicle mileage, parking fees and tolls during the move may be deducted. You may, however, deduct only the costs of one trip per person.

**WHAT CANNOT BE DEDUCTED?** Expenses which cannot be deducted include meals while moving, any part of the purchase price of your new home, car tags, drivers license fees, the cost of buying or selling a home, expenses entering into or breaking a lease, security deposits, storage charges except those in transit, or moving expenses covered by reimbursements from your employer that are excluded from income.

IRS Publication 521: Moving Expenses, <http://www.irs.gov/publications/p521/index.html>, provides an excellent resource with comprehensive information about this topic.

As with many tax matters, the details make a difference. Please contact your tax advisor to determine if your particular moving expenses are deductible. Our tax professionals welcome the opportunity to assist you with this, or other, tax compliance and planning services.

## ■ USE A LOG TO TRACK BUSINESS AUTOMOBILE EXPENSES



If you use your car for business purposes, you must have adequate documentation to deduct these business expenses on your tax return. The IRS requires that you keep a record of your business use, including the date, business miles driven, business destination, and business purpose. The easiest way to meet these requirements is to keep a log in your car and to record the details each time you use your car for business. You should also record monthly odometer readings, or at a minimum odometer readings from the beginning and end of each year. The IRS will not accept a record that is created “after the fact” in response to an audit. Estimates of business usage, such as 30% of total mileage for the year, are not acceptable either.

Your records should also include the cost of your car and any improvements, and the date you began to use the vehicle for business purposes. You can ordinarily deduct business expenses using either the standard mileage rate or actual expenses.

Proper documentation of business-related car expenses requires a bit of effort. However, the implementation of a simple recordkeeping system will help maximize tax deductions and protect you in the event your records are examined.

Please contact us if you would like a business auto log or assistance with car expense documentation or other tax matters.

## RUNNING EFFECTIVE MEETINGS

We have all been to meetings that seem to take an eternity. Here are a few tips that you may find helpful to make your meetings more effective and efficient:

**ANALYZE IT:** Is the meeting being held for a one-way transfer of information? If so, don't meet. Instead send a summary email or report.

**PLAN IT OUT:** Prepare an agenda that includes time allocated to discuss each topic and send it to the participants the day before you meet. Proper notice often allows you to privately address participant concerns before the group meets.

**OWN IT:** Start and end your meetings on time. Stick to your agenda and move on if time allocated to a topic runs out. Don't do “recaps” for late participants. Encourage feedback from everyone present.

**DOCUMENT IT:** Prepare minutes or a recap and make sure everyone knows action steps.

**STAND UP:** Most people keep it brief and pay attention if they are standing on their feet.

## CLOSING THOUGHTS



We are sure you'll hear over and over this month that personal income taxes are due April 17<sup>th</sup>. In honor of this most American of days, we thought this year we would share this little gem from a former United States President:

The taxpayer – that's someone who works  
for the federal government but  
doesn't have to take the civil service examination.  
~ Ronald Reagan

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