



What you should know about:  
**MOVING TAX DEDUCTIONS**



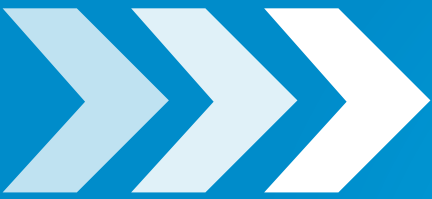
Moving can be expensive, but there are a few ways you can bring down the cost through tax deductions. It's worth looking into, you might be surprised at how much you can save.





# Questions to ask:

1. Who is eligible for deductions on moving expenses?
2. What types of things are deductible?
3. What can't you deduct?



# WHO IS ELIGIBLE FOR DEDUCTIONS ON MOVING EXPENSES?

First of all, your move has to be the result of starting work in a different location. If that applies to you, then there are a couple of tests used to see if you qualify for deductions.

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# THE DISTANCE TEST



Your new place of work must be 50 miles further away from your old home than your previous place of work.

We know, that's a little confusing. What it basically means, is if your old office was 5 miles away from your old home, then your new office must be 55 miles away from your old home for you to qualify for a deduction.

If you have no previous place of work, than your new place of work must be 50 miles away from your old home.





# THE TIME TEST



You must put in 39 weeks of full-time work in the first 12 months after arriving in your new area. If you're self-employed then you must work 79 weeks of a full-time schedule in the first 24 months in addition to the 39 weeks in the first 12 months.

Members of the United States Armed Forces do not have to meet the "distance test" or the "time test" if they are relocating based on orders or a permanent change of station.

People who worked and resided outside the United States, but are retiring in the United States do not have to meet the "Time Test".

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# WHAT TYPES OF THINGS ARE DEDUCTIBLE?





YOU CAN DEDUCT THE COST OF MOVING ITEMS FROM YOUR HOME, OR FROM A STORAGE LOCATION.



You can also deduct the cost of storing items for up to 30 days between when you ship them and when you move in to your new home. The only catch here is that you can only deduct the cost of moving items from your former home, so if your items are in storage somewhere further away, you pay the difference.

Traveling expenses are deductible. Try to keep receipts or other records, because you can deduct what you spend on gas, lodging, and even plane tickets. You don't even have to travel at the same time as the rest of your family as long as you are only deducting expenses for one trip per individual.

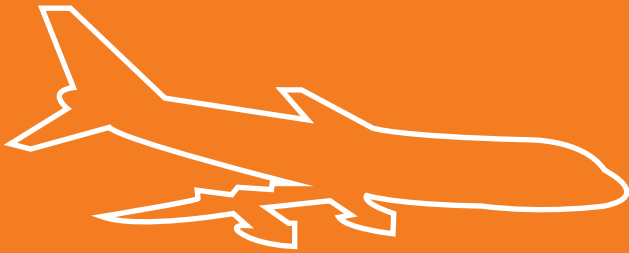
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IF YOU'RE MOVING  
SOMEPLACE OUTSIDE  
THE UNITED STATES  
YOU CAN STILL GET  
DEDUCTIONS ON  
YOUR MOVE.



If you're moving somewhere far, and it's more convenient for you a travel by plane, you can even deduct the cost of shipping your cars and pets to you new area. This tip alone can save hundreds of dollars.

You can deduct the cost of moving personal items to your new location from your old location or from storage, you can deduct travel expenses including lodging, and you can deduct the cost of storing items while you're in you new location

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# WHAT CAN'T YOU DEDUCT?



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YOU CAN'T DEDUCT THINGS DIRECTLY RELATED TO THE PURCHASE OR SALE OF YOUR HOME OR APARTMENT.



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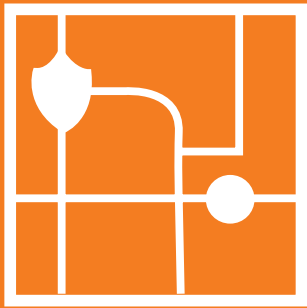


For example, a portion of the sale price, or the cost of breaking a lease agreement.

Travel expenses are usually fine, but you can't deduct the cost of updating your drivers license, or renewing your car's license plate tags.



WHILE PLANNING YOUR ROUTE TO YOUR NEW HOME, PICK THE MOST DIRECT, CONCISE ROUTE POSSIBLE.



If you don't get your security deposit back from your old landlord, or you pay for some restoration to increase your old home's property value, you can't deduct the cost of either. As long as you're not breaking windows or throwing knives at the wall, this shouldn't be a real issue anyway.

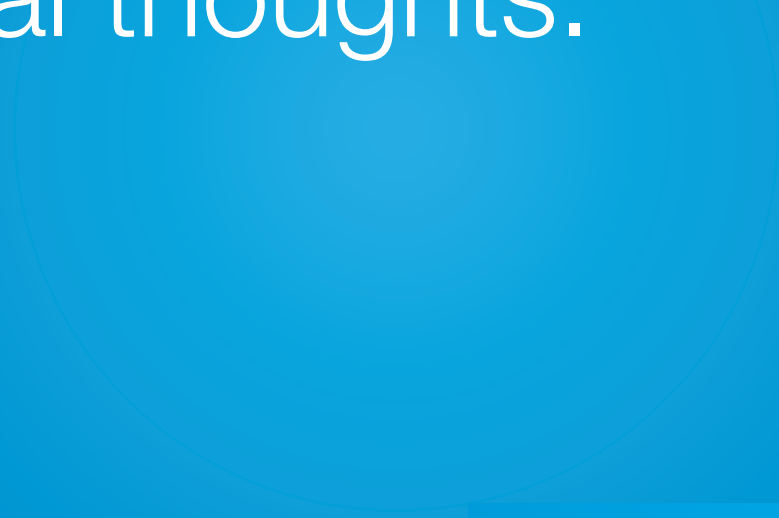
You can't deduct the cost of gas and lodging of excursions or sight seeing, so if you're planning to go 1,000 miles out of the way to see Mount Rushmore, adjust your funds accordingly.

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Some final thoughts.



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## KEEP RECORDS AND RECEIPTS OF YOUR TRAVEL AND MOVING EXPENSES.




The better you document your spending, the easier it will be to get it deducted. The IRS puts a lot of money into checking these things out, so if you make their lives easier, they're more likely to return the favor.

Try to be as frugal as possible. Just because you're saving money on some of these deductions doesn't mean you have to make up for it by flying first class or filling your Escalade up with premium. You're more likely to get deductions if it looks like you tried to spend as little as possible. Plan the most direct routes, use as little packing material as you can, ship the kids separately (that's a joke), if you're already looking into deductible expenses then this is a no-brainer.

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We hope this guide helps to ease the financial and mental stress of moving. Just because you're starting fresh doesn't mean you have to go broke doing it. With some careful planning and smart spending you can save yourself a lot of time and money while relocating for your new job.



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