

# Deductions for Travel, Meals and Entertainment ▶

Expense Type	0% Deductible	50% Deductible	100% Deductible
<p><b>Business Trips, Conventions, Meetings Within the United States</b></p> <p>Special rules apply to foreign travel.</p>	<ul style="list-style-type: none"> <li>Meals provided on employer premises or remote locations during non-overnight travel</li> <li>Lavish or extravagant expenses</li> <li>Luxury water travel (cost in excess of twice the federal per diem rate, subject to certain exceptions)</li> </ul>	<ul style="list-style-type: none"> <li>Meals during overnight business travel</li> <li>Business luncheons at clubs</li> </ul>	<ul style="list-style-type: none"> <li>Hotel, transportation expenses</li> <li>Cleaning and laundry</li> <li>Cost of meeting rooms</li> <li>Registration fees</li> <li>Tips (other than for meals and entertainment)</li> </ul>
<p><b>Customer Entertainment</b></p> <p>Proper documentation includes records of who, what, where and how much and records of business relationships.</p>	<ul style="list-style-type: none"> <li>All entertainment expenses</li> <li>Meals bundled in an entertainment package (must be separately invoiced and itemized)</li> <li>Business gifts in excess of \$25 per person per year</li> </ul>	<ul style="list-style-type: none"> <li>Restaurant meals and tips (requires a member of your business to be present)</li> <li>Food and beverages provided during an entertainment activity, if purchased separately from the entertainment, or their cost is separately stated</li> </ul>	

Expense Type	0% Deductible	50% Deductible	100% Deductible
<b>Employer/Employee Expenses</b>	<ul style="list-style-type: none"> <li>• Meals provided in employer-sponsored eating facility</li> <li>• On-premise meals provided by an employer</li> <li>• Break room snacks and beverages</li> </ul>		<ul style="list-style-type: none"> <li>• Meals and entertainment included in employees compensation</li> <li>• Meals and entertainment included in Form 1099 for non-employees</li> <li>• Employee holiday parties, annual picnic, sports teams and expenses</li> <li>• Cash gifts to employees required to be included in compensation</li> <li>• Noncash gifts to employees – valued in excess of \$25 (– required to be included in compensation; (exception for employee award programs)</li> <li>• Meals specific to the fishing industry</li> </ul>
<b>Dues</b>	<ul style="list-style-type: none"> <li>• Business luncheon clubs</li> <li>• Airline and hotel clubs</li> <li>• Golf, athletics, social and country clubs</li> </ul>		<ul style="list-style-type: none"> <li>• Professional organizations and business leagues</li> <li>• Trade associations, boards of trade</li> <li>• Chambers of commerce</li> <li>• Civic organizations</li> <li>• Public service organizations</li> </ul>