TAX YEAR
2018

Mileage and Expense Log

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Deductible Expenses

In order to be a deductible, business expenses for travel, lodging, and meals must be ordinary and necessary.

An ordinary expense is one that is common and accepted in your trade or business. A necessary expense is one that is helpful and appropriate for your business. An expense does not have to be required to be considered necessary.

Substantiation for Travel, Lodging, and Meals

Special rules apply for substantiation of expenses for travel, lodging, and meals. The taxpayer must maintain records that include:

- The amount of the expense.
- The time and place of travel.
- The business purpose of the expense.
- The business relationship between the taxpayer and persons entertained.

Note: For self-employed taxpayers, per diem rates for meals (standard meal allowance) may be used as a standard deduction in place of actual receipts. Actual receipts must be used for lodging.

Traveling exceptions. Documentary evidence is not needed if any of the following conditions apply.

- The expense, other than lodging, is less than $75.
- The taxpayer has a transportation expense for which a receipt is not readily available.

Travel and Lodging

Travel expenses include the ordinary and necessary expenses incurred by a taxpayer (generally for overnight stays) while on temporary travel away from his or her tax home for business purposes.

Tax home. Generally, your tax home is your regular place of business, regardless of where you maintain your family home. It includes the entire city or general area in which your business is located.

Deductible expenses. Deductible expenses include, but are not limited to:

- Air, train, bus, or car travel between the taxpayer's home and the business destination.
- Use of a car for business use while at the business destination.
- Transportation (including tips) between the airport or train station and a hotel, between the hotel and a business location, and between business locations or customers.
- Meals, lodging, dry cleaning, and laundry, including tips.

Meals

A deduction for meals is allowed (limited to 50%) if incurred while traveling on business or while entertaining a client or customer. The deduction for local meals is figured by using actual costs while the deduction for meals while out of town is figured by using actual costs or the standard meal allowance (per diem rate).

Entertainment. Effective January 1, 2018, entertainment expenses are no longer deductible.

This brochure contains general information for taxpayers and should not be relied upon as the only source of authority. Taxpayers should seek professional tax advice for more information.

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Mileage and Expense Log

Make:	**Model :**	**Year:**	**Starting mileage on Jan. 1:**	**Ending mileage on Dec. 31:**

Date	*Miles*	*Start/End Point or Paid To*	*Reason for Trip/Business Purpose for Expense*	*Amount*
Total Miles			**Total Expenses**	