

DEDUCTING BUSINESS TRIPS

Use this flow chart as a guide when you travel for business.

It's advisable to speak to a tax professional prior to a business trip to ensure you qualify for the described deductions.

Contact us at quickguidetax.com/contact for further guidance!

QUALIFYING TRAVEL

START HERE

Are you traveling for a business activity that is...

1. Necessary and ordinary for your industry?
2. Far enough from your normal place of business to warrant sleeping over?
3. Requires your physical presence?

NO

This is NOT a business trip



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[Click here to read IRS Publication 463 "Travel, Gift & Car Expenses"](#)

BUSINESS INTENT

YES

Are ALL of the days on the trip spent on:

Attending pre-scheduled activities with business intent?

NO

Are SOME of the days on the trip spent on:

Attending pre-scheduled activities with business intent?

(e.g. 3 days for business, 2 days for personal vacationing)

YES

YES

RECORD KEEPING

Did you keep records of the following on your "business days"?

What was the money spent on?
Times and dates of the expense?
Where did the expense take place?
The purpose of the expense?
Do you have a receipt?

(bank statements/receipts, reservation confirmations, and a detailed trip agenda are typically sufficient)

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YES

YES

BUSINESS DEDUCTIONS

You can write off all travel and lodging expenses and 50% of meal expenses

On the trip, you can only write off expenses for the days spent on business. This can include a portion of your hotel costs and 50% of business meal expenses.

However, you can write off all round-trip travel expenses.

e.g. I spent \$200 for my 5-day hotel stay. Only 3 days were for business. I can only write off \$120 for business hotel expenses. (\$200 ÷ 5 days = \$40 per day)