

<i>Income Item</i>	<i>Includible in Income</i>	<i>Paragraph Reference</i>
Stock distributions in general	No	¶ 15,402.01
. convertible preferred stock or debentures	Yes	¶ 15,402.01
. disproportionate distributions	Yes	¶ 15,402.01
. distributions of common and preferred stock	Yes	¶ 15,402.01
. dividends on preferred stock	Yes	¶ 15,402.01
. increasing shareholder's proportionate interest	Yes	¶ 15,402.01
. in lieu of money	No	¶ 19,806.021
Stock options incentive	Yes	¶ 6553.03
Strike benefits, generally	No	¶ 6553.03
Strike benefits, union and non-union employees in need, paid in form of food, clothes, etc.	No	¶ 6553.03
Supper money, employer-paid, occasional due to overtime work	No	¶ 7438.053
Supplemental security income (SSI) payments	No	¶ 5507.034; ¶ 6421.021
Support payment, received from former spouse	Yes	¶ 6094.01
Surviving spouse, decedent's salary continued, limited depending on intent	No	¶ 5507.4741
Survivor annuities, paid to family of public safety officer	No	¶ 5507.045; ¶ 6507.05
Taxes:	Yes	¶ 5508.046
. employees', employer-paid	No	¶ 5504.041; ¶ 7062.043
. refunds of, not previously deducted or deducted without tax benefit	Yes	¶ 30,575.206
Tenancy, payments for surrender of	Yes	¶ 5507.023
Tips	Yes	¶ 5504.6916
Treasure trove	No	¶ 26,805.01
Treaty-exempt income	No	
Tuition, employer-paid under qualified plans (including tuition paid for graduate-level courses that begin after December 31, 2001)	No	¶ 7353.01
Unemployment benefit plans, supplemental payments	Yes	¶ 6412.021
Unemployment benefits	Yes	¶ 6412.021
U.S. Savings Bonds earned increase during Year, if cash-method taxpayer elects	Yes	¶ 6602.04
Use and occupancy insurance proceeds, income experience	Yes	¶ 29,650.053
Vacation fund allowance, union agreement	Yes	¶ 5507.47
Veterans Administration payments	No	¶ 5504.027
Veterans' benefits, generally	No	¶ 5504.027
Veterans' bonuses, state	No	¶ 5504.775
Wages	Yes	¶ 5507.021
Workers' Compensation Acts, payments under	No	¶ 6662.01; ¶ 6662.025
"Wrap-around" annuity contracts sold by life insurance companies, interest on	Yes	¶ 6114.48

¶ 57 Checklist for Deductions

The Internal Revenue Code permits a number of wide-ranging deductions that may be taken into account in arriving at taxable income. However, the Code contains a number of rules and restrictions concerning the expenses that qualify as deductions and the taxpayers who may claim them. Although deductions generally reduce taxable income, deductions from gross income, available to all qualifying taxpayers, must be distinguished from deductions from adjusted gross income, available only to those taxpayers who itemize. Certain miscellaneous itemized deductions, including unreimbursed employee business expenses and investment expenses, are deductible by an individual only if the aggregate amount of such deductions exceeds two percent of adjusted gross income (see ¶ 6064.01 of the STANDARD FEDERAL TAX REPORTER). In addition, deductions that can be taken currently must be distinguished from those that can be taken over a number of tax years through depreciation or amortization.

The chart below lists a number of expenses that a taxpayer might incur. The chart indicates for each expense a symbol(s) representing the possible availability of a deduction, its timing, and whether it is deductible from gross income or adjusted gross income. Many deductions have special rules. The chart also provides the 2005 STANDARD FEDERAL TAX REPORTER paragraph number where further information on the deduction may be found.

The following symbols are used:

D/GI = Deductible from gross income

D/AGI = Deductible from adjusted gross income

D/Am = Deductible over a period of time

ND = Nondeductible

Abandonment of business

real property

D/GI,
¶ 9902.177

Accident and health plans

 . employer contributions

D/GI,
¶ 8822.386

Accounting fees

 . business

D/GI,
¶ 8520.315

 . capital transactions

D/Am,
¶ 13,709.01

 . connected with trade or business

D/GI,
¶ 8520.315

 . investors

D/AGI,
¶ 12,523.03

 . organization of business (S5,000 deduction and excess amortizable over 15 years)

D/GI, D/Am,
¶ 13,352.01

 . reorganization of business

ND,
¶ 13,709.017; ¶ 13,709.83

Accounting system, installation

D/GI,
¶ 13,709.135

Administrative expenses of estate

D/AGI,
¶ 24,308.021

Admissions to political dinners, programs, inaugural balls, etc.

ND,
¶ 14,552.025

Advertising expenses

D/GI,
¶ 8851.133

 . catalogs

 . long term

D/Am,
¶ 21,817.2075

 . generally

 . home demonstrations

D/GI, ¶ 8851.01

 . package design costs

D/GI,
¶ 8851.1337

 . political convention programs and other political publications

D/GI,
¶ 8520.028

 . prizes and contests

ND,
¶ 14,552.021

 . product launch costs

D/GI,
¶ 8851.1657

 . promotional activities

D/GI,
¶ 8851.1659

Airline pilot, special clothing

D/AGI,
¶ 8524.265

Airplane, heavy maintenance expenses

D/GI,
¶ 8526.5175

Alcohol fuels credit, unused

D/Am,
¶ 12,430.01

Alimony payments

D/GI,
¶ 12,573.01

Amortization of premium on taxable bonds (optional)

D/AGI,
¶ 11,855.01

Appraisal fees

ND,
¶ 13,709.017; ¶ 13,709.121

 . acquisition of capital asset

ND,
¶ 13,709.017; ¶ 13,709.121

.. connection with trade or business	D/AGI, ¶ 8520.3152	.. loss on sale	D/GI, ¶ 8590.037
hitect's fees (capital expenditure)	D/Am, ¶ 13,709.149	.. oil and lubrication	D/GI, ¶ 8590.024
hitectural services parking	D/GI, ¶ 8590.024
.. domestic production activities	D/GI, ¶ 12,476.01	.. repairs	D/GI, ¶ 8590.024
.. jorney's and accountant's fees in contesting tax claims (nonbusiness)	D/AGI, ¶ 8526.462	.. tires	D/GI, ¶ 8590.024
.. jorney's fees washing	D/GI, ¶ 8590.024
.. , accounting suit by former partner, defense of	D/GI, ¶ 13,603.243	.. nonbusiness casualty loss (limited)	D/AGI, ¶ 10,005.01
.. acquisition of corporate control	ND, ¶ 8526.4213	.. pleasure use	ND, ¶ 13,603.109
.. business debts, collection of	D/GI, ¶ 8526.429	.. , rural mail carriers (limited)	D/AGI, ¶ 8590.022
.. civil rights suits	D/GI, ¶ 6005.01	.. , business	D/GI, ¶ 10,650.021
.. condemnation proceeding, defense of	ND, ¶ 8526.4198	.. nonbusiness	D/GI, ¶ 10,650.021, ¶ 10,700.01, ¶ 10,700.03
.. disbarment proceedings	D/GI, ¶ 8526.032	Bar admission and examination fees	ND, ¶ 8634.1172, ¶ 13,709.016
.. divorce	D/GI, ¶ 13,603.223	Baseball player's uniforms	D/AGI, ¶ 8524.265
.. , obtaining alimony	ND, ¶ 13,603.223	Baseball team equipment for business publicity	D/GI, ¶ 8851.184
.. proceedings	ND, ¶ 13,603.01	Black lung benefits trust, employer contributions	D/GI, ¶ 12,291.01
.. , property settlement	ND, ¶ 13,603.253	Bookmakers, business expenses	D/GI, ¶ 8521.1260
.. , personal affairs		Building replacements (capital expenditure)	D/Am, ¶ 8630.51
.. , slander prosecution (personal)		Burglar alarm system, cost of installing (business capital expenditure)	D/Am, ¶ 13,709.119
.. , tax advice on investments	D/AGI, ¶ 12,523.346	Burial expenses	ND, ¶ 12,543.047
.. , title clearance	ND, ¶ 8526.469	Business bad debts	D/GI, ¶ 10,650.021
.. , land	ND, ¶ 13,709.93	Business conventions	D/GI, ¶ 14,408A.059
.. , stock , cruise ship (limited)	D/GI, ¶ 14,408A.059
.. , will preparation	ND, ¶ 13,603.259	.. , foreign conventions (limited)	D/GI, ¶ 14,408A.0591
.. automobile expenses , political conventions (must be related to trade or business)	D/GI, ¶ 8560.2835
.. , business use by employee	D/AGI, ¶ 8590.01	.. , travel expenses	D/GI, ¶ 8560.025, ¶ 8560.275—
.. , unreimbursed		Business expenses	D/GI, ¶ 8520.01
.. , business use by self-employed person	D/GI, ¶ 8590.1344		
.. , chauffeur's salary	D/GI, ¶ 8590.033		
.. , cost of car	D/GI, ¶ 8590.024		
.. , garage rentals	D/GI, ¶ 8590.024		
.. , gas	D/GI, ¶ 8590.024		
.. , insurance	D/GI, ¶ 8590.252		
.. , license fees	D/GI, ¶ 8590.024		

Business meals	50% D/GI, ¶ 8523.024, ¶ 8570.021, ¶ 14,408A.027	.. , expenses related to	ND, ¶ 14,311.01
Business startup expenses (\$5,000 deduction and excess amortizable over 15 years)	D/GI, D/Am, ¶ 12,371.01	.. , if there is no production, or no income, under contracts	D/AGI, ¶ 14,311.01
Campaign contributions	ND, ¶ 8962.53	Commissions	
Capital expenditures	ND, D/Am, ¶ 13,709.01 et seq.	.. , paid as compensation	D/GI, ¶ 5507.022
Capital loss individual (limited)	D/GI, ¶ 30,392.01	.. , sale of real estate or securities	D/GI, ¶ 8521.046, ¶ 8521.049
Car expenses (see "Automobile expenses")	D/AGI, ¶ 8524.25	.. , dealers	
Carer counseling costs , other taxpayers	ND, ¶ 8521.1357
Caribbean convention expenses (business)	D/GI, ¶ 14,408A.0591	Commissions on sale of real estate and securities, dealer only (other than taxpayers deduct from selling price)	D/GI, ¶ 8521.046, ¶ 8521.049
Carrying charges deductible as interest where installment sales contract states carrying charge separately	D/AGI, ¶ 9200.03	Computer software (business use)	ND, ¶ 8550.269
Casualty losses, personal, deduction limited to amount of each loss in excess of \$100 and then only to the extent losses exceed 10% of adjusted gross income	D/AGI, ¶ 10,005.041	.. , development costs	D/GI, ¶ 8636.01
Charitable contributions	D/GI, ¶ 11,680.021	.. , leased software	D/GI, D/Am, ¶ 12,047.057
.. , computer technology equipment to schools and public libraries	D/GI, ¶ 11,680.037	.. , purchased software	D/GI, ¶ 12,047.115
.. , individuals (limited)	D/AGI, ¶ 11,660.04—	Construction	
.. , appreciated property	ND, ¶ 11,660.047	.. , domestic production activities	D/GI, ¶ 12,476.01
.. , where organization carries on lobbying activities	ND, ¶ 11,620.052	Contributions by employer to employer-financed accident and health plans for benefit of employees	D/GI, ¶ 8752.01
Child support payments	ND, ¶ 6094.027	Contributions by employer to state unemployment insurance and state disability funds	D/GI, ¶ 8752.025
Circulation expenditures, newspapers, magazine periodicals	D/GI, ¶ 12,032.01	Contributions by members to a labor union (voluntary)	ND, ¶ 8853.20
Classroom expenses, teachers (2002-2003)	D/GI, ¶ 6005.029	Contributions paid (within certain limits) during year to charitable, etc., organizations	D/AGI, ¶ 11,670.01, ¶ 11,620.04
Clean fuel vehicle property (limited) (through 2006)	D/GI, ¶ 12,133.01	Convention (political) programs, cost of advertising in	ND, ¶ 14,552.021
Clinical testing deduction if credit is elected	ND, ¶ 14,954.025	Conventions (see "Business conventions")	
Club dues (limited)	D/AGI, ¶ 8853.025	Cooperative housing corporation, share of taxes or interest paid by	D/AGI, ¶ 12,603.15
		Copyright costs	D/Am, ¶ 11,016.021

Cost recovery, business property or property held for the production of income	D/Am, ¶ 11,004.01	minimum requirements for job	ND, ¶ 8632.3865
Cruise ship business conventions (limited) . . .	D/GI, ¶ 14,408A.059	new trade or business, educational assistance plan payments	ND, ¶ 8632.3873
Custodian fees	D/AGI, ¶ 13,709.591	Efficiency engineers' fees . .	D/GI, ¶ 7353.023
Defending title to property (capital expenditure) . . .	ND, ¶ 8526.469	Electricity	D/GI, ¶ 8520.317
Demolition of structure . . .	ND, ¶ 14,901.01	domestic production activities	D/GI, ¶ 12,476.01
Dependents	D/AGI, ¶ 8005.03,	Embezzlement loss	D/GI, ¶ 10,101.024
Depletion	D/AGI, ¶ 8250.021	Employee's expenses	D/GI, ¶ 8524.025
Depreciation, business property or property held for production of income .	D/Am, ¶ 11,004.01	entertaining customers . . .	50% D/AGI, ¶ 8523.021
election to expense (limited)	D/GI, ¶ 12,126.01	reimbursed expenses	D/GI, ¶ 8524.025
Day care providers	D/GI, ¶ 8520.5843	unreimbursed	50% D/AGI, ¶ 8523.021
standard meal deduction	ND, ¶ 12,543.71	meals and lodging away from home	D/GI, ¶ 8550.021
Diaper service	D/GI, ¶ 8520.5843	reimbursed	D/AGI, ¶ 8550.075
Disbarment proceedings, attorneys' fees and expenses in defending . .	D/GI, ¶ 8526.032	unreimbursed lodging	50% D/AGI, ¶ 14,408A.051
Doctor's staff privilege fees at hospital (capital expenditures)	D/Am, ¶ 13,709.323	move to a new work location	D/GI, ¶ 12,623.021
Domestic production activities	D/GI, ¶ 12,476.01	transportation expenses . . .	D/AGI, ¶ 8650.075
Dues	D/GI, ¶ 8853.155	unreimbursed (limited)	D/AGI, ¶ 8650.075
charitable, religious, educational organizations	D/AGI, ¶ 8853.15—	Employees' life insurance, paid by employer	D/GI, ¶ 8522.386
clubs organized for business, pleasure, recreation, or any other social purpose	ND, ¶ 14,408A.035	employee beneficiary . . .	ND, ¶ 14,008.035
professional associations	D/GI, ¶ 8634.102—	employer beneficiary . . .	D/GI, ¶ 14,008.035
union dues	D/AGI, ¶ 8634.1142	Employees, payments for injuries to, not compensated by insurance; disability benefits	D/GI, ¶ 8752.2959
Education expenses	D/AGI, ¶ 8853.20	Employees, severance payments to	D/GI, ¶ 8752.676
higher education expenses (2002-2005)	D/GI, ¶ 12,772.01	Employees, training expenses for	D/AGI, ¶ 8524.03,
Education expenses (employee)	D/AGI, ¶ 8632.01	Employment, fees for obtaining	D/GI, ¶ 8524.25
maintaining or improving required skills	D/AGI, ¶ 8632.01	Employment taxes	D/AGI, ¶ 8524.03,
		employer's payment under Federal Unemployment Tax Act	D/GI, ¶ 8524.03,
		employer (but not deductible if paid on wages of domestics) . . .	D/GI, ¶ 9502.042,
			D/GI, ¶ 9502.30

employer's taxes under Federal Insurance Contributions Act	ND, ¶ 8632.3865	Association	D/GI, ¶ 8860.01
employer (deductible only as business expense)	D/GI, ¶ 7353.023	first buyers, excess of issue price over market value on date of issuance	D/AGI, ¶ 24,267.463
employer's taxes under Railroad Retirement Act	D/GI, ¶ 8520.317	Fiduciaries' fees	D/GI, ¶ 12,476.01
employer (deductible only as business expense)	D/GI, ¶ 12,476.01	Film and television activities	D/GI, ¶ 12,476.01
Federal Unemployment Tax Act	D/GI, ¶ 9502.28	domestic production activities	D/GI, ¶ 12,476.01
Railroad Retirement Act	D/GI, ¶ 9502.28	Finance charges other than carrying charges or loan fees (limited)	D/AGI, ¶ 9200.01
Social Security Act	D/GI, ¶ 9502.29	Fines and penalties	ND, ¶ 8954.3265
Engineering services	D/GI, ¶ 12,476.01	child labor violations . . .	D/GI, ¶ 8954.3265
domestic production activities	D/GI, ¶ 12,476.01	Fair Labor Standards Act awards	D/GI, ¶ 8954.3265
Entertainment expenses (business, nonemployee)	ND, ¶ 14,408A.035	federal income tax penalties	ND, ¶ 9502.0315
athletic club dues	ND, ¶ 14,408A.036	generally	ND, ¶ 8954.01
facilities owned and used by the taxpayer	ND, ¶ 14,408A.036	NLRB awards	D/GI, ¶ 8954.3265
food	D/GI, ¶ 7438.052	overweight or over-length trucks	ND, ¶ 8954.322
furnished to employees on premises	D/GI, ¶ 8523.024	violations of federal law	ND, ¶ 8954.325
meals directly related to business	50% D/GI, ¶ 8523.024	Walsh-Healey Act awards	ND, ¶ 8954.3265
provided for customers	50% D/GI, ¶ 8523.024	Firefighter	ND, ¶ 8954.3265
Environmental cleanup costs (brownfields) (through 2006)	D/GI, ¶ 12,465.01	meals and lodging on overnight duty at station	ND, ¶ 8954.3265
Environmental impact statement, preparation of	D/Am, D/GI, ¶ 12,047.122	Foreign	ND, ¶ 8954.3265
Environmental protection agency, sulfur regulation compliance (limited) . . .	D/GI, ¶ 12,136.01	Fishing boat crews (commercial) members' protective clothing	D/AGI, ¶ 8524.265
Estate tax	ND, ¶ 9502.035	Foreign conventions (with limitations)	D/GI, ¶ 14,408A.0591
Excess deductions on termination of estate or trust	D/AGI, ¶ 24,308.049	Foreign taxes (unless taken as credit)	D/AGI, ¶ 9502.032
Excise taxes on personal goods	ND, ¶ 9504.232	by payor	D/AGI, ¶ 9502.032
Expenditures violating public policy	ND, ¶ 8838.01	Forfeitures	D/GI, ¶ 9805.103
Farmers	D/GI, ¶ 12,476.01	business transactions . . .	D/GI, ¶ 9805.163
domestic production activities	D/GI, ¶ 12,143.01	advance payments	D/GI, ¶ 9805.163
fertilizers, lime, etc. . .	D/GI, ¶ 12,143.01	lease deposits	D/GI, ¶ 9805.172
soil and water conservation	D/GI, ¶ 8756.026	purchase price	D/GI, ¶ 9805.172
Federal income tax	ND, ¶ 9504.01	interest	D/GI, ¶ 9805.165
		prematernal withdrawal from time savings account	D/GI, ¶ 9805.165
		Fringe benefits	D/GI, ¶ 9805.165

• cost of providing non-cash benefits	D/GI, ¶ 9061.01	• principal place of business	D/GI, ¶ 14,854.027
• funeral expenses	ND, ¶ 12,543.047	• storage of product samples	D/GI, ¶ 14,854.021
• furnishings and fixtures, business cust.	D/Am, ¶ 11,279.335	• House rent	ND, ¶ 13,603.01, ¶ 13,603.295
• gambling losses (limited)	D/AGI, ¶ 10,105.01, ¶ 10,105.30	• Husband to wife, allowance paid as housewife's salary	ND, ¶ 13,603.171
• gas		• Illegal business, legitimate expenses	D/GI, ND, ¶ 8521.125—, ¶ 8521.1269, ¶ 15,051.01
• domestic production activities	D/GI, ¶ 12,476.01	• Illegal drugs	ND, ¶ 15,051.01
• gift tax	ND, ¶ 9502.035	• Impairment-related work expenses	
• gifts (business), but limited to \$25 per donee per year	D/GI, ¶ 14,408A.038	• attendant care services at work	D/AGI, ¶ 6064.01
• gifts to charity	D/GI, ¶ 11,680.021	• necessary expenses at work	D/AGI, ¶ 6064.01
• computer technology equipment to schools and public libraries (through 2005)	D/GI, ¶ 11,680.037	• Import duties (unless as a business expense)	ND, ¶ 9502.032
• individuals (limited)	D/AGI, ¶ 11,670.01	• Improvements made by lessee, depreciation and amortization	D/Am, ¶ 12,105.42
• appreciated property	D/AGI, ¶ 11,660.04—, ¶ 11,660.047	• Income tax (state)	D/AGI, ¶ 9502.031
• where organization carries on lobbying activities	ND, ¶ 11,620.052	• Income tax liability, cost of determining	D/AGI, ¶ 12,523.3844
• gifts to employees		• Income tax returns, cost of preparing (non-business)	D/AGI, ¶ 8526.462, ¶ 12,523.3844, ¶ 12,523.44
• awards for length of service (limited)	D/GI, ¶ 14,408A.045	• Individual retirement account, contributions (limited)	D/GI, ¶ 18,922.01
• gifts valued above \$25	ND, ¶ 8520.334, ¶ 14,408A.038	• Infringement litigation in course of business	D/GI, ¶ 8526.449
• gifts valued at \$25 or less	D/GI, ¶ 8520.334, ¶ 14,408A.038	• Inheritance tax	ND, ¶ 9502.035
• gifts to individuals	ND, ¶ 11,620.03	• Injuries to employees, payments for, not compensated by insurance	D/GI, ¶ 8732.01
• golden parachutes		• Insurance expenses	
• excess parachute payments	ND, ¶ 15,152.01, ¶ 34,941.01	• business	D/GI, ¶ 8522.3815
• parachute payments	D/GI, ¶ 15,152.01—, ¶ 15,152.066	• casualty	D/GI, ¶ 8522.392
• golf course		• malpractice	D/AGI, ¶ 12,543.01
• land preparation costs, modern greens	D/Am, ¶ 11,007.189	• individuals (medical)	D/GI, ¶ 8522.03
• maintenance and operating costs	D/GI, ¶ 8521.124, ¶ 8630.1292	• self-employed individuals (health insurance)	
• original construction	ND, ¶ 8630.1292, ¶ 13,709.237	• insured employees	
• hobby losses	ND, ¶ 12,177.01	• employee or other beneficiary	D/GI, ¶ 8522.386
• home office (limited)	D/GI, ¶ 14,854.021	• employer beneficiary	ND, ¶ 14,008.03
• employee	D/AGI, ¶ 14,854.021		

• key employees	D/GI, ¶ 14,008.01	• incurred in earning tax-exempt interest)	D/AGI, ¶ 12,523.03
• personal residence	ND, ¶ 13,603.01	• ISO 9000 costs	D/GI, ¶ 8520.028, ¶ 8520.3175
• required for credit		• Job hunting expenses	ND, ¶ 8524.03, ¶ 8524.25
• premiums paid by creditor	D/GI, ¶ 14,008.035	• new trade or business	
• premiums paid by debtor	ND, ¶ 14,008.035	• resume preparation costs	D/AGI, ¶ 8524.03, ¶ 8524.25
• Intangible assets (as defined in Code Sec. 197)	D/Am, ¶ 12,455.01	• same trade or business	D/AGI, ¶ 8524.03, ¶ 8524.25
• Interest and carrying charges related to a commodity straddle position in excess of income generated by straddle position	ND, ¶ 13,709.028	• travel and transportation to new area	D/AGI, ¶ 8524.03, ¶ 8524.25
• Interest (with exceptions and limitations, see below)	D/AGI, ¶ 9104.01	• Jockey's riding apparel	D/AGI, ¶ 8524.265
• education loans (limited)	D/GI, ¶ 12,695.01	• Labor union dues	D/AGI, ¶ 8853.20
• interest related to tax-exempt income	ND, ¶ 9104.01, ¶ 14,054.01	• Laundry, dry cleaning, pressing charges (business travel)	D/AGI, ¶ 8550.021
• interest related to life insurance contracts (limited)	D/AGI, ¶ 9104.048, ¶ 14,008.021	• Legal expenses and fees	D/GI, ¶ 8526.021—, ¶ 8526.05
• personal obligations (limited)	ND, ¶ 9104.01, ¶ 9402.01	• investors	D/AGI, ¶ 8526.4394, ¶ 12,523.025
• points, purchase of residence	D/AGI, ¶ 9402.01	• production of income	D/AGI, ¶ 12,523.3375
• prepaid	D/Am, D/GI, ¶ 9402.04	• tax determination	D/AGI, ¶ 12,523.346
• property held for production of rent or royalties	D/GI, ¶ 9104.01	• Legislators	
• trade or business debts	D/GI, ¶ 9104.01	• congressional living expenses, away from home	D/AGI, ¶ 8570.1218, ¶ 12,623.117
• Interest forfeiture		• expenses of moving to capital	D/AGI, ¶ 8570.1218, ¶ 12,623.117
• premature withdrawal from time savings account	D/GI, ¶ 9805.185	• state	
• Interest on tax deficiencies		• local transportation	D/AGI, ¶ 8570.1222
• corporation	D/GI, ¶ 9400A.04	• meals and lodging	D/AGI, ¶ 8570.1222
• individual, generally	ND, ¶ 9400A.04, ¶ 9400A.50	• travel expenses	D/AGI, ¶ 8570.1222
• related to trade or business	D/GI, ND, ¶ 9400A.04	• license fees	D/AGI, ¶ 9502.398
• underpayment attributable to nondisclosed reportable transaction	ND, ¶ 9104.05	• treated as personal property tax	
• Investigatory costs		• Life insurance premiums, debts incurred to purchase, paid by employer,	D/GI, ¶ 8636.27
• acquisition of specific business	ND, ¶ 12,371.25	• employee or other beneficiary	D/GI, ¶ 14,008.01
• business search	D/GI, D/Am, ¶ 12,371.25	• employer beneficiary	ND, ¶ 5608.24, ¶ 14,008.03

on cost—stock acquisition	ND, ¶ 9052.01	Mine exploration expenditures	D/GI, ¶ 24,115.01	Partners' fixed or guaranteed payments for services or for use of capital (allowed as business deduction to partnership)	D/GI, ¶ 25,183.01	unreimbursed employee expense	D/AGI, ¶ 8634.102— ¶ 8634.1142
• appearing before legislative bodies	ND, ¶ 8952.021	• meals	ND, ¶ 12,623.50	Partnership organization expenses, unless election to amortize	ND, ¶ 25,223.01	• unreimbursed employee expense	D/AGI, ¶ 8634.01, ¶ 8634.1201— ¶ 8634.121
• expenditures to influence voters	ND, ¶ 8952.021	• other expenses	D/GI, ¶ 12,623.01	Passport fee (except for business purposes)	D/GI, ¶ 9502.41	Promotional activities	D/AGI, ¶ 8634.01, ¶ 8634.1201— ¶ 8634.121
• professional lobbyist's expenses	D/GI, ¶ 8952.0664, ¶ 8952.468	• employee, unreimbursed	D/GI, ¶ 12,623.021	Penalties	ND, ¶ 9502.41 generally ND, ¶ 8954.01	• coupons	D/GI, ¶ 21,015.01 D/GI, ¶ 8851.1657 D/AGI, ¶ 8524.05 ND, ¶ 11,620.511
• sales (trade or business)	D/AGI, ¶ 6005.028 D/GI, ¶ 12,014.01	• self employed	D/GI, ¶ 12,623.021 D/GI, ¶ 8520.50	• Environmental Protection Agency: Clean Air Act violation	ND, ¶ 8954.021	• prizes and contests	D/AGI, ¶ 8851.1657 D/AGI, ¶ 8524.05 ND, ¶ 11,620.511
• net operating loss	D/AGI, ¶ 9804.03 ND, ¶ 14,161.02	Moving machinery	D/GI, ¶ 8954.3265	• nonconformance penalty	D/GI, ¶ 8954.022	Protective clothing	D/GI, ¶ 9502.28 D/AGI, ¶ 8524.265 ND, ¶ 20,620.2412
• sale or exchange of property	D/AGI, ¶ 9804.03 ND, ¶ 14,161.02	Musician's clothing, used exclusively in business	D/AGI, ¶ 8524.265	• penalty on early withdrawal of time deposit	D/GI, ¶ 9104.03	Railroad retirement tax paid by employers	D/AGI, ¶ 8524.265 ND, ¶ 20,620.2412
• capital assets (business motive)	D/AGI, ¶ 9804.03	Net operating loss deduction	D/GI, ¶ 12,014.01	Performing artists (limitation on gross income)	D/GI, ¶ 6005.025	Railway trainman's uniform	D/AGI, ¶ 8524.265 ND, ¶ 20,620.2412
• theft or casualty	D/AGI, ¶ 9804.02, ¶ 9807.01	New business, cost of starting up (\$5,000 deduction and excess amortizable over 15 years)	D/GI, D/Am, ¶ 12,371.01	• employee business expenses	D/AGI, ¶ 6005.025	Real estate impact fees	D/AGI, ¶ 8524.265 ND, ¶ 20,620.2412
• individual property	D/AGI, ¶ 9808.01	Nonbusiness bad debts (limited)	D/GI, ¶ 10,700.021	Permanent improvements	D/Am, ¶ 13,709.325	Reconditioning and health-restoring expenses of employees paid by employers	D/GI, ¶ 8520.246 D/GI, D/Am, ¶ 23,929.195
• rent or royalty—generating property	D/GI, ¶ 9808.01	Nontrade or nonbusiness expenses incurred in preserving income-producing property	D/AGI, ¶ 12,523.01 D/AGI, ¶ 8524.265	• tenants	D/AGI, ¶ 9402.04, ¶ 21,817.04	Reforestation costs	D/GI, ¶ 8524.025
• worthless stock and securities	D/GI, ¶ 10,001.01	• principal place of business	D/AGI, ¶ 14,854.021, D/AGI, ¶ 8524.265	"Points" on home mortgage (if customarily required in geographic area in which indebtedness was incurred)	D/AGI, ¶ 9402.04, ¶ 21,817.04	Reimbursed expenses (otherwise deductible)	D/GI, ¶ 8524.025
• mp sum distribution—ordinary income portion	D/GI, ¶ 18,217A.026	Office in home (limited)	D/AGI, ¶ 14,854.021, D/AGI, ¶ 8524.265	• "Points" on home mortgage (if customarily required in geographic area in which indebtedness was incurred)	D/AGI, ¶ 9402.04, ¶ 21,817.04	Removal of architectural and transportation barriers to the handicapped and elderly (limited)	D/AGI, ¶ 12,264.01 D/GI, ¶ 8754.01
• machinery	D/GI, ¶ 8630.025	• employee	D/AGI, ¶ 14,854.021, D/AGI, ¶ 8524.265	Police officer's uniform and cost of cleaning	D/AGI, ¶ 8524.265	Rent, business property	D/AGI, ¶ 12,264.01 D/GI, ¶ 8754.01
• incidental repairs	D/GI, ¶ 8630.025	• principal place of business	D/AGI, ¶ 14,854.021, D/AGI, ¶ 8524.265	Political contributions	ND, ¶ 8952.53 ND, ¶ 8952.53, ¶ 14,552.01	Reorganization expenditures	ND, ¶ 13,709.017, ¶ 13,709.83
• materials and supplies, business (incidentals)	D/GI, ¶ 8610.01 ND, ¶ 12,543.71	Office supplies	D/GI, ¶ 14,854.027 D/GI, ¶ 8610.01	• corporations, businesses, etc.	ND, ¶ 8952.53, ¶ 14,552.01	Repairs to business property	D/GI, D/Am, ¶ 8630.01
• maternity clothes	ND, ¶ 12,543.71	Operating loss in prior or subsequent year	D/GI, ¶ 12,014.023	• individuals	ND, ¶ 8952.53, ¶ 14,552.01	Repairs to personal residence	ND, ¶ 8630.574
• meals provided for employees	D/GI, ¶ 7438.052	Organization expenses of corporation (\$5,000 deduction and excess amortizable over 15 years)	D/GI, D/Am, ¶ 13,352.01	Political publications, cost of advertising in	ND (generally), ¶ 14,552.021	Research and experimental expenditures connected with a trade or business	D/GI, D/Am, ¶ 12,047.01
• employer's cost of providing meals on premises	D/AGI, ¶ 12,543.01	Original construction of greens on a golf course	ND, ¶ 13,709.237, ¶ 8630.1292	Postage costs, business	D/GI, ¶ 8610.14, ¶ 8851.1652	Restaurant smallwares (limited)	D/GI, ¶ 8610.146
• meals directly related to business	50% D/GI, ¶ 8523.024	Outside salesperson	D/AGI, ¶ 12,675.01	Premiums paid on a business insurance "professional overhead expense disability policy"	D/AGI, ¶ 8522.385	Retirement plans, contributions to	D/GI, ¶ 18,347.01 D/GI, ¶ 18,922.0226
• medical, dental and hospital expenses less than 7.5% of adjusted gross income	ND, ¶ 12,543.01	• meals—see: Meals, employees' business	D/AGI, ¶ 8550.021 D/GI, ¶ 8520.028	Prepaid interest or finance charges	D/Am, ¶ 9402.04	• individuals (limited)	D/GI, ¶ 17,933.01
• medical insurance premiums (see ¶ 59)	D/GI, ¶ 12,675.01	• moving expenses—see: Moving expenses	D/AGI, ¶ 8550.021 D/GI, ¶ 8520.028	Prizes and contests—see "Promotional activities"	D/AGI, ¶ 8550.021 D/GI, ¶ 8520.028	• self-employed individuals	D/GI, ¶ 17,933.01
• medical savings account	D/GI, ¶ 12,675.01	Package design costs	D/AGI, ¶ 8550.021 D/GI, ¶ 8520.028	Professional associations, dues	D/AGI, ¶ 8550.021 D/GI, ¶ 8520.028		

implied employee pension contributions	D/GI, ¶ 13,922.0215	Social security taxes · employees · employers	ND, ¶ 9502.042 D/GI (only as business expense), ¶ 9502.042
return, federal or state income tax, gift tax, etc., cost of having prepared (including investor)	D/AGI, ¶ 8520.73, ¶ 12,523.3844	Soil and water conservation expenditures, farmers . . .	D/GI, D/Am, ¶ 8756.026
life deposit boxes, rental for protection of income producing property	D/AGI, ¶ 12,523.03 ¶ 12,523.23 D/GI, ¶ 12,523.23	Stamp taxes · dealers/investors · trade or business · transfer of personal residence	D/GI, ¶ 9502.032 D/GI, ¶ 9502.032 ND, ¶ 9502.032
· trader	D/GI, ¶ 12,523.23	Start-up expenditures, business (\$5,000 deduction and excess amortizable over 15 years)	D/GI, D/Am, ¶ 12,371.01 ND, ¶ 9052.01
· business use	D/GI, ¶ 12,523.23	Stock redemption costs . . .	D/GI, D/Am, ¶ 12,371.01 ND, ¶ 9052.01
· bonuses	D/GI, ¶ 8642.01 D/GI, ¶ 5507.022	Subscriptions, professional journals (self-employed) . .	D/GI, ¶ 8634.02
· commissions	D/GI, ¶ 5507.022	Supplemental unemployment compensation benefits, repayments by recipients	D/GI, ¶ 6005.04
· related parties	D/GI, ¶ 8638.01	Surgeon's uniform (employee)	D/AGI, ¶ 8524.265 ND, ¶ 8954.33
· persons' expenses	D/GI, ¶ 8524.01, D/AGI	Tax penalty payments	D/GI, ¶ 8632.645
· unreimbursed	D/AGI, ¶ 8524.01, D/AGI, ¶ 7438.038, ¶ 8590.01	Tax refresher course, lawyer's	D/GI, ¶ 8632.645
· automobile expenses	D/AGI, ¶ 8590.01	Tax returns, cost of preparation	D/GI, ¶ 12,523.3844 D/AGI, ¶ 12,523.132
· entertaining customers, reimbursed	D/GI, ¶ 8523.021	· business	D/GI, ¶ 12,523.3844 D/AGI, ¶ 12,523.132
· unreimbursed	50% D/AGI, ¶ 8523.277	· individual	D/GI, ¶ 12,523.3844 D/AGI, ¶ 12,523.132
· gifts to customers (up to \$25)	D/AGI, ¶ 14,408A.038	Taxes (Deductible by Manufacturer, Producer, Importer or Corresponding Person, but Not by Consumer)	¶ 9502.01 D/Am, ¶ 9502.35
· membership dues in business or social clubs	ND, ¶ 14,408A.035	· automobile excise taxes	D/Am, ¶ 9502.35
· subscriptions to business, professional or trade publications, if for business reasons . . .	D/AGI, ¶ 8524.2509	Teachers, classroom expenses (2002-2005) . . .	D/GI, ¶ 6005.029
· transportation unreimbursed	D/AGI, ¶ 8530.075 D/AGI, ¶ 14,408A.05	Telephone service (as a business expense)	D/GI, ¶ 8520.74
· travel expenses	D/AGI, ¶ 14,408A.05	Theft loss	D/GI, ¶ 10,101.136 D/AGI, ¶ 10,101.01
· less tax (state) (2004-2005)	D/AGI, ¶ 9502.031	· business	D/GI, ¶ 10,101.136 D/AGI, ¶ 10,101.01
· less tax (state) (2004-2005)	D/GI, ¶ 9502.043	· nonbusiness	D/GI, ¶ 10,101.01
If employment tax (limited to 50%)	D/GI, ¶ 9502.043	Timber	· reforestation expenses (\$10,000 deduction and excess amortizable over 7 years)
· grants, social security taxes paid for	ND, ¶ 9502.30 D/GI, ¶ 8752.676	· post-establishment fertilization	D/GI, D/Am, ¶ 12,335.01 D/GI, ¶ 8520.7455
· variance payments	D/GI, ¶ 8752.676		
· shareholder's proxy fight expenses	D/AGI, ¶ 12,523.3593		
· railwars, restaurant (limited)	D/GI, ¶ 8610.146		

Tires (see "Automobile expenses" and "Truck tires")	D/Am, ¶ 8526.4682— ¶ 8526.471, ¶ 12,523.35	· government employees, expenses in excess of per diem allowances	D/AGI, ¶ 8370.12 D/AGI, ¶ 8550.281, ¶ 8550.345 D/GI, ¶ 8550.021, ¶ 14,417.421, 50% D/AGI, ¶ 8550.075, ¶ 14,417.01
Title costs (perfecting or defending title to property, including costs of defending condemnation proceedings) (capital expenditure)	D/Am, ¶ 8526.4682— ¶ 8526.471, ¶ 12,523.35	· meals, reimbursed	¶ 8550.021, ¶ 14,417.421, 50% D/AGI, ¶ 8550.075, ¶ 14,417.01
Tools, unreimbursed cost, useful life of one year or less	D/AGI, ¶ 8524.04	· meals, unreimbursed	¶ 8550.021, ¶ 14,417.421, 50% D/AGI, ¶ 8550.075, ¶ 14,417.01
Trade association dues, unreimbursed employee expenses	D/AGI, ¶ 8853.50— ¶ 8853.57	· physician, medical conventions	D/AGI, ¶ 8550.283
Trade or business expenses (securities dealers and traders)	D/GI, ¶ 8521.04	· railroad employees' meals and lodging while away from "home terminal"	D/AGI, ¶ 8550.269, ¶ 8550.475 D/AGI, ¶ 8570.1505
Trademark and trade name expenditures	D/Am, ¶ 13,705.016, ¶ 31,044.055 ND, ¶ 9502.032	· salespersons	¶ 8570.1505
Transfer taxes	ND, ¶ 8550.269	· teachers, scientific meetings and conventions	D/AGI, ¶ 8570.1254
Travel expenses (employees)	D/GI, ¶ 8550.29, ¶ 8550.48 D/AGI, ¶ 8550.022, ¶ 8550.075	· truck drivers' (long line) meals and lodging while away from "home terminal"	D/AGI, ¶ 8570.154
· commuting expenses	D/AGI, ¶ 8550.022, ¶ 8550.075	Truck tires	D/GI, ¶ 8590.1489, ¶ 8590.612
· unreimbursed	D/AGI, ¶ 8550.022, ¶ 8550.075	· replacement tires (limited)	D/GI, ¶ 8590.1489, ¶ 8590.612
· baseball players (including meals and lodging) while away from "club town," also other business expenses at "club town" if tax "home" in a different city	D/AGI, ¶ 8550.025 D/AGI, ¶ 8550.255	· with life less than a year	D/GI, ¶ 8590.1489, ¶ 8590.612
· business and pleasure trips	D/AGI, ¶ 8550.255	Truck use tax (unless as business expense)	ND, ¶ 9502.039
· clergymen, church conventions travel, meals and lodging away from home	D/AGI, ¶ 8550.28	Uncollectible notes (see "Bad debts")	¶ 9502.039
· commercial fishing boat crew members, for travel, meals, and lodging away from home port	D/AGI, ¶ 8570.1165	Uniform and special clothing costs	D/AGI, ¶ 8524.265
· congressmen, up to \$3,000 of living expenses	D/AGI, ¶ 8570.032, ¶ 8570.12	· baseball uniforms	D/AGI, ¶ 8524.265
· expenses of traveling from principal place to minor place of business	D/AGI, ¶ 8570.175	· clothing required for business	D/AGI, ¶ 8524.2658
		· employer-reimbursed costs	D/GI, ¶ 8524.05 D/AGI, ¶ 8524.265 D/AGI, ¶ 8524.265 D/AGI, ¶ 8524.05
		· jockey's riding apparel . .	D/AGI, ¶ 8524.265 D/AGI, ¶ 8524.05
		· nurses' uniforms	D/AGI, ¶ 8524.265 D/AGI, ¶ 8524.05
		· protective clothing . . .	D/AGI, ¶ 8524.2658
		· work shoes, metal tipped	D/AGI, ¶ 8524.2658
		Union payments	D/AGI, ¶ 8853.20
		· dues	D/AGI, ¶ 8853.20