

THOMAS M. GILL & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
838 SHOEMAKER AVENUE
WEST WYOMING, PA. 18644

Thomas M. Gill, C.P.A.
Robert J. Gill, C.P.A.
William T. Gill, C.P.A.
Steven J. Gill, C.P.A.
Brian R. Gill, C.P.A.

Telephone 570.693.2460
Facsimile 570.693.2615
Website: www.gillcpas.com

EMPLOYEE BUSINESS EXPENSES

Now may be a good time to evaluate the expenses you incur as an employee in connection with your work. While your employer may be reimbursing you for some of these expenses, there may be others for which you are bearing the cost yet not utilizing the tax benefit. Through proper substantiation, it is possible that you may be able to obtain greater reimbursement from your employer. Alternatively, you may be entitled to deduct such expenses as miscellaneous itemized deductions.

In order to be reimbursed and/or deducted, trade or business expenses must be ordinary, necessary, and reasonable. They also must be properly substantiated. Examples of qualifying expenses include:

- Travel, transportation, meal, or entertainment expenses
- Safety equipment, small tools, or supplies
- Uniforms required by your employer that are not suitable for everyday wear
- Required protective clothing
- Dues to professional organizations
- Subscriptions to professional journals
- Certain job hunting expenses
- Certain expenses for the business use of your home
- Computer costs
- Work-related educational expenses

You may also benefit from a review of the business expenses related to the use of your home. If you qualify for the home office deduction, you may be able to deduct part of your home's normal operating expenses, such as utilities and insurance. The tax-savings opportunities available to you are dependent not only on the type of work you do at home, but where in your home you perform it.

The rules for deducting these expenses, as well as substantiating your deduction, vary according to the type of expense involved. It is important to retain all records and receipts that document the time, place, and business purpose of each expense.