

Topic 455 - Moving Expenses

If you moved due to a change in your job or business location, or because you started a new job or business, you may be able to deduct your reasonable moving expenses but not any expenses for meals. You can deduct your moving expenses if you meet all three of the following requirements:

- Your move closely relates to the start of work
- You meet the distance test
- You meet the time test

Move Related to Start of Work - Your move must closely relate both in time and in place to the start of work at your new location. You can consider moving expenses incurred within one year from the date you first reported to work at the new location as closely related in time to the start of work. A move generally relates closely in place if the distance from your new home to the new job location is not more than the distance from your former home to the new job location. For exceptions to these requirements, [See Publication 521](#), Moving Expenses.

The distance test - Your new workplace must be at least 50 miles farther from your old home than your old job location was from your old home. If you had no previous workplace, your new job location must be at least 50 miles from your old home.

The time test - If you are an employee, you must work full-time for at least 39 weeks during the first 12 months immediately following your arrival in the general area of your new job location. If you are self-employed, you must work full time for at least 39 weeks during the first 12 months and for a total of at least 78 weeks during the first 24 months immediately following your arrival in the general area of your new work location. There are exceptions to the time test in case of death, disability, and involuntary separation, among other things. [See Publication 521](#) for these exceptions.

List of Moving Expenses Eligible/Ineligible for Reimbursement

Deductible (Non-Taxable)

- Transportation of household goods
- Transportation of automobile
- One way trip by most direct route from old home to new home (must meet "50 mile standard" to be deductible)
- Packing supplies, including boxes, tape, paper, crating, etc.
- Transportation of other members of household
- Transportation of household pets
- Temporary storage of household goods (only charges incurred within 30 days of move from former home will be deductible)

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- Parking charges in route
- Hotel charges in route (must be by most direct route – hotel stays outside most direct route may not be reimbursed)
- Connection or disconnection of utilities

Non-Deductible (Taxable)

- “Reasonable” expenses related to house-hunting trips, such as airfare, hotel, rental car, gas (food is not eligible).
- Flight back for moving assistant.
- Temporary storage of household goods outside 30 day IRS window, but not more than 90 days following date of employment, if “reasonable”
- Second roundtrip if related to unavoidable circumstance of move, if “reasonable”

Ineligible Expenses (include, but not limited to):

- Food purchased in transit
- Purchase of new furniture (even if replacing furniture disposed of at previous residence)
- Purchase of new car (even if replacing car disposed of at previous residence)
- Expenses related to travel that is outside the most direct route from previous residence
- Expenses related to purchase of home (ie. closing costs, home inspection, etc.)
- Deposit for new rental home
- Any part of the purchase price of your new home
- Car tags
- Driver's license
- Expenses of entering into or breaking a lease
- Home improvements to help sell your home
- Loss on the sale of your home
- Losses from disposing of memberships in clubs
- Mortgage penalties
- Real estate taxes
- Refitting of carpet and draperies
- Security deposits (including any given up due to the move)
- Storage charges except those incurred in transit and for foreign