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## [How to Deduct Job-Related Moving Expenses](#)

Sunday, January 10, 2010 by [Doron F. Eghbali](#)

With the unemployment still very high, many people are willing to move to a place where they can find employment. However, moving costs lots of money.

The IRS provides some relief to people moving for business reasons with some rather stringent requirements. Unfortunately, if someone fails *ALL* the requirements, they must incur all the moving expenses without help from the federal government.

### ABOVE-THE-LINE DEDUCTIONS

Business moving expenses are above-the-line deductions. This means you deduct the moving expenses from your taxable income to compute your adjusted gross income without itemizing the expenses. Above-line-deductions are very advantageous because the lesser your adjusted gross income the lesser you have to pay taxes.

### REQUIREMENTS

**1. Moving Because of Your Job:** The moving **MUST** be for a job. It does not matter if it is your new job, your first job or the same job.

**2. 50-Mile Test:** The distance between your new primary job and your former home **MUST** be at least 50 miles greater than your old commute. For instance, if you lived 20 miles away from your former work and now your new office is 60 miles away from your old home, then, no luck. To be eligible in this scenario, the distance between your new office and your old home must have been at least 70 miles (50 miles of requirement+ 20 miles of your old commute). Here, you had only 40 miles (60 miles - 20 miles).

**3. Full-Time Employment for 39 Weeks During Last 12-Months:** The IRS wants to make sure you move for the sake of a job not a better scenery. So, it requires that you be employed full time in the general area of your new job location for at least 39 weeks during the 12 months after you make the move.

### EXCEPTIONS

This requirement has some exceptions:

- You are allowed to switch jobs as often as you would like given your move was for a job and passed the 50-mile test. Or,
- If your employer lays you off or transfers you.

## MISCELLANEOUS

- **Couples Filing Jointly:** If you are a couple filing jointly, only one of you needs to satisfy the requirements just outlined.
- **Form 3903:** After you have tallied all your deductible expenses, you should fill out IRS Form 3903. The resulting write off shows up on the first page of your IRS Form 1040.

## WHAT MOVING EXPENSES ARE DEDUCTIBLE?

The IRS has become less generous as to what business moving expenses are eligible. Here is a list:

- The cost of packing and shipping your possessions, including insurance and 30 days of storage
- The cost of traveling to your new home including lodging but not meals
- Actual driving costs such as oil and gas
- The cost of disconnecting utilities at your old home and hookups in the new home

## WHAT MOVING EXPENSES ARE NOT DEDUCTIBLE?

Unfortunately, the list of expenses NOT allowed is frustrating:

- Expenses buying or selling a home
- Expenses acquiring a property
- Expenses breaking a lease
- Expenses for apartment security deposits
- Losses for selling or giving up club memberships
- Expenses for driver's license and car registration fees

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