

- K. Where to go for more information:
 - Justgive.org — list of qualifying organizations
 - NAEIR — place to donate excess inventory (800-829-4551)

 - KBB.com — Kelley Blue Book value of cars

 - IRS Form 8283
 - IRS Pub. 78 — Status of charitable organizations

 - IRS Pub. 526 — Charitable Contributions

 - IRS Pub. 544 — Bargain Sales

 - IRS Pub. 561 — Determining the value of donated property
 - IRS Pub. 4302 — A Charity's Guide to Car Donations

 - IRS Pub. 4303 — A Donor's Guide to Car Donations

X. MISCELLANEOUS DEDUCTIONS (SCHEDULE A, LINE 20-22)(CODE SECTION 67)

- A. Employee business expenses, office-in-home, and casualty losses are covered in more detail in other sections of the Gear Up manual.
- B. Deductions subject to the 2% limitation.
 - 1. Unreimbursed employee expenses must meet the following three tests:
 - a) Paid or incurred during the year;
 - b) To carry on your trade or business of being an employee; and
 - c) Ordinary and necessary.
 - 2. Tax preparation fees, e-file costs, tax software and tax publications.
 - 3. Other expenses that meet one of the following criteria (Reg. 1.67-1T(a)):
 - a) To produce or collect income included in gross income;
 - b) To manage, conserve, or maintain property held for producing such income; or
 - c) To determine, contest, pay or claim a refund of any tax.
 - 4. Appraisal fees for a casualty loss or charitable contribution.
 - 5. Clerical help and office rent in caring for investments.

6. Depreciation on your home computer if you use it to produce income (for example you use the computer for tracking your investments).
 - a) Use straight-line ADS life.
 - b) Special rules for employees.
 7. Fees to collect interest and dividends.
 8. Excess deductions allowed to a beneficiary upon termination of an estate or trust.
 9. Legal fees.
 - a) Tax advice, but NOT drafting a will.
 - b) To collect alimony, but not to defend against a request for alimony.
 - c) Related to keeping your job. Includes amounts paid to defend yourself against criminal charges arising out of your trade or business.
 10. Hobby expenses (not more than hobby income).
 11. IRA or Keogh fees paid out of non-retirement funds.
 12. Loss on an IRA investment (covered in retirement section of Gear Up manual).
 13. Repayment of taxable social security benefits or unemployment compensation. If made in the year received, net the two. If repaid for a prior year, then:
 - a) If \$3,000 or less, deduct on Schedule A.
 - b) If more than \$3,000:
 - (1) Full deduction on Schedule A not subject to the 2% limitation, or
 - (2) Claim a credit for the difference in tax if the income had not been received in the prior year.
 14. Pass through entities miscellaneous deductions.
- C. Deductions not subject to the 2% limitation.
1. Impairment-related work expenses (Code Section 67(d)).
 - a) Must be necessary to allow you to work.

- b) Must be at your place of employment or in connection with your place of work. Not merely transportation to and from work.
 - c) Must address a substantially limited majority life activity.
 - d) Can include attendant care.
- 2. Amortizable bond premium which is generally treated as an offset to income on the bond.
 - 3. Certain casualty or theft losses.
 - 4. Federal estate tax on income in respect of a decedent.
 - 5. Gambling losses.
 - a) Only to extent of gambling winnings.
 - b) Must have proper records.
 - (1) Diary with relevant details, such as dates and type of wagers, name, address, and location of gambling establishment and the amount won or lost.
 - (2) Wagering tickets, cancelled checks, credit card records and bank withdrawals.
 - (3) Records provided by the gambling establishment.

NOTE: Undated, unsigned letters from casino VIP representatives were determined to be unreliable indicators of gambling winnings and losses. Taxpayer should have used their Player's Club Card to track their slot machine activity (Lutz, T.C. Memo 2002-89).

D. Where to go for more information:

IRS Pub. 463 - Job costs

IRS Pub. 529 - Miscellaneous Deductions

IRS Pub. 550 - Amortizable bond premium and investment expenses

IRS Pub. 559 - Compute deduction for federal estate tax on IRD