

Part III - Administrative, Procedural, and Miscellaneous

Determination of Housing Cost Amounts Eligible for Exclusion or Deduction for 2020

Notice 2020-13

SECTION 1. PURPOSE

This notice provides adjustments to the limitation on housing expenses for purposes of section 911 of the Internal Revenue Code for specific locations for 2020. These adjustments are made on the basis of geographic differences in housing costs relative to housing costs in the United States.

SECTION 2. BACKGROUND

Section 911(a) allows a qualified individual to elect to exclude from gross income the foreign earned income and housing cost amount of such individual. The term “housing cost amount” is generally the total of the housing expenses for the taxable year minus a base housing amount. See § 911(c)(1). For this purpose, the base housing amount for the taxable year is limited to an amount that is tied to the maximum foreign earned income exclusion amount, which is \$107,600 for 2020. See § 911(c)(1)(B) and (d)(1). Specifically, the base housing amount is 16 percent of the maximum foreign earned income exclusion amount (computed on a daily basis), multiplied by the number of days in the applicable period that fall within the taxable year.

Assuming that the entire taxable year of a qualified individual is within the applicable period, the base housing amount for 2020 is \$17,216 ($\$107,600 \times .16$).

Similarly, the housing expense amount is also limited, based on a percentage of the maximum foreign earned income exclusion amount. Specifically, the limit on such housing expenses generally equals 30 percent of the maximum foreign earned income exclusion amount (computed on a daily basis), multiplied by the number of days in the applicable period for which the taxpayer is a qualified individual. See § 911(c)(2)(A) and (d)(1). Thus, under this general limitation, a qualified individual whose entire taxable year is within the applicable period is limited to maximum housing expenses of \$32,280 ($\$107,600 \times .30$) for 2020. However, section 911(c)(2)(B) authorizes the Secretary to issue regulations or other guidance to adjust the percentage under section 911(c)(2)(A)(i) (which determines the limit on housing expenses) based on geographic differences in housing costs relative to housing costs in the United States. Pursuant to this authority, the Department of the Treasury (Treasury Department) and the Internal Revenue Service (IRS) have published annual notices concerning the limitation on the section 911 housing cost amounts since the 2006 taxable year.

For more background on the foreign housing exclusion, see <https://www.irs.gov/individuals/international-taxpayers/foreign-housing-exclusion-or-deduction>.

SECTION 3. TABLE OF ADJUSTED HOUSING LIMITATIONS FOR 2020

The following table provides adjusted limitations on housing expenses (in lieu of the otherwise applicable limitation of \$32,280) for 2020.

Country	Location	Limitation on Housing Expenses (full year)	Limitation on Housing Expenses (daily)
Angola	Luanda	84,000	229.51
Argentina	Buenos Aires	56,500	154.37
Australia	Canberra	35,300	96.45
Australia	Sydney	67,900	185.52
Austria	Vienna	35,400	96.72
Bahamas, The	Nassau	49,700	135.79
Bahrain	Bahrain	48,300	131.97
Barbados	Barbados	37,700	103.01
Barbados	Bridgetown	37,700	103.01
Belgium	Brussels	40,500	110.66
Belgium	Gosselies	36,100	98.63
Belgium	Mons	36,100	98.63
Belgium	SHAPE/Chièvres	36,100	98.63
Bermuda	Bermuda	90,000	245.90
Brazil	Rio de Janeiro	35,100	95.90
Brazil	Sao Paulo	56,600	154.64
Canada	Calgary	38,200	104.37
Canada	Montreal	52,100	142.35

Canada	Ottawa	44,000	120.22
Canada	Quebec	34,600	94.54
Canada	Toronto	50,000	136.61
Canada	Vancouver	45,300	123.77
Canada	Victoria	39,500	107.92
Cayman Islands	Grand Cayman	48,000	131.15
Chile	Santiago	34,400	93.99
China	Beijing	69,000	188.52
China	Hong Kong	114,300	312.30
China	Shanghai	57,001	155.74
Colombia	Bogota	58,700	160.38
Colombia	All cities other than Bogota	49,400	134.97
Costa Rica	San Jose	37,800	103.28
Democratic Republic of the Congo	Kinshasa	42,000	114.75
Denmark	Copenhagen	43,704	119.41
Dominican Republic	Santo Domingo	45,500	124.32
Ecuador	Quito	38,200	104.37
Estonia	Tallinn	46,600	127.32
France	Garches	69,400	189.62
France	Lyon	38,400	104.92
France	Marseille	37,400	102.19
France	Paris	69,400	189.62

France	Sevres	69,400	189.62
France	Suresnes	69,400	189.62
France	Versailles	69,400	189.62
Germany	Babenhausen	34,000	92.90
Germany	Baumholder	33,800	92.35
Germany	Berlin	41,600	113.66
Germany	Birkenfeld	33,800	92.35
Germany	Boeblingen	40,300	110.11
Germany	Bonn	42,000	114.75
Germany	Cologne	56,200	153.55
Germany	Darmstadt	34,000	92.90
Germany	Frankfurt am Main	35,500	96.99
Germany	Gelnhausen	42,900	117.21
Germany	Giessen	36,000	98.36
Germany	Grafenwoehr	34,400	93.99
Germany	Hanau	42,900	117.21
Germany	Idar-Oberstein	33,800	92.35
Germany	Ingolstadt	48,600	132.79
Germany	Kaiserslautern, Landkreis	42,200	115.30
Germany	Karlsruhe	32,800	89.62
Germany	Koblenz	33,400	91.26
Germany	Ludwigsburg	40,300	110.11
Germany	Mainz	46,500	127.05

Germany	Munich	48,600	132.79
Germany	Nellingen	40,300	110.11
Germany	Neubruecke	33,800	92.35
Germany	Ober Ramstadt	34,000	92.90
Germany	Pfullendorf	33,400	91.26
Germany	Pirmasens	42,200	115.30
Germany	Sembach	42,200	115.30
Germany	Stuttgart	40,300	110.11
Germany	Vilseck	34,400	93.99
Germany	Wahn	42,000	114.75
Germany	Wiesbaden	46,500	127.05
Germany	Zweibrueken	42,200	115.30
Germany	All cities other than Augsburg, Babenhausen, Bad Aibling, Bad Kreuznach, Bad Nauheim, Baumholder, Berchtesgaden, Berlin, Birkenfeld, Boeblingen, Bonn, Bremen, Bremerhaven, Butzbach, Cologne, Darmstadt, Delmenhorst, Duesseldorf, Erlangen, Flensburg, Frankfurt am Main, Friedberg, Fuerth, Garlstedt, Garmisch-Partenkirchen, Geilenkirchen, Gelnhausen, Germersheim, Giebelstadt, Giessen, Grafenwoehr, Grefrath, Greven, Gruenstadt, Hamburg, Hanau, Handorf, Hannover, Heidelberg, Heilbronn, Herongen, Idar-Oberstein, Ingolstadt, Kaiserslautern, Landkreis, Kalkar, Karlsruhe, Kerpen, Kitzingen, Koblenz, Leimen, Leipzig, Ludwigsburg, Mainz, Mannheim,	33,400	91.26

	Mayen, Moenchen-Gladbach, Muenster, Munich, Nellingen, Neubruecke, Noervenich, Nuernberg, Ober Ramstadt, Oberammergau, Osterholz-Scharmbeck, Pfullendorf, Pirmasens, Rheinau, Rheinberg, Schwabach, Schwetzingen, Seckenheim, Sembach, Stuttgart, Twisteden, Vilseck, Wahn, Wertheim, Wiesbaden, Worms, Wuerzburg, Zirndorf, and Zweibruecken		
Ghana	Accra	36,000	98.36
Greece	Athens	34,000	92.90
Greece	Elefsis	34,000	92.90
Greece	Ellinikon	34,000	92.90
Greece	Mt. Parnis	34,000	92.90
Greece	Mt. Pateras	34,000	92.90
Greece	Nea Makri	34,000	92.90
Greece	Piraeus	34,000	92.90
Greece	Tanagra	34,000	92.90
Guatemala	Guatemala City	42,000	114.75
Guinea	Conakry	51,300	140.16
Guyana	Georgetown	35,000	95.63
Holy See, The	Holy See, The	46,200	126.23
Hungary	Budapest	32,500	88.80
India	Mumbai	67,920	185.57
India	New Delhi	56,124	153.34

Indonesia	Jakarta	37,776	103.21
Ireland	Dublin	40,200	109.84
Israel	Beer Sheva	57,400	156.83
Israel	Tel Aviv	50,800	138.80
Italy	Genoa	41,800	114.21
Italy	La Spezia	40,400	110.38
Italy	Milan	69,000	188.52
Italy	Naples	47,400	129.51
Italy	Parma	35,100	95.90
Italy	Pordenone-Aviano	36,800	100.55
Italy	Rome	46,200	126.23
Italy	Turin	34,600	94.54
Italy	Vicenza	38,600	105.46
Jamaica	Kingston	41,200	112.57
Japan	Atsugi	41,600	113.66
Japan	Camp Zama	41,600	113.66
Japan	Chiba-Ken	41,600	113.66
Japan	Fussa	41,600	113.66
Japan	Gifu	74,300	203.01
Japan	Haneda	41,600	113.66
Japan	Iwakuni	32,800	89.62
Japan	Kanagawa-Ken	41,600	113.66
Japan	Komaki	74,300	203.01

Japan	Machidi-Shi	41,600	113.66
Japan	Misawa	33,200	90.71
Japan	Nagoya	74,300	203.01
Japan	Okinawa Prefecture	57,500	157.10
Japan	Osaka-Kobe	90,664	247.72
Japan	Sagamihara	41,600	113.66
Japan	Saitama-Ken	41,600	113.66
Japan	Sasebo	34,100	93.17
Japan	Tachikawa	41,600	113.66
Japan	Tokyo	93,200	254.64
Japan	Tokyo-to	41,600	113.66
Japan	Yokohama	49,600	135.52
Japan	Yokosuka	51,200	139.89
Japan	Yokota	39,200	107.10
Jerusalem	Jerusalem	49,000	133.88
Jerusalem	West Bank	49,000	133.88
Kazakhstan	Almaty	48,000	131.15
Korea	Camp Colbern	54,200	148.09
Korea	Camp Market	53,800	146.99
Korea	Camp Mercer	54,200	148.09
Korea	K-16	53,800	146.99
Korea	Kimpo Airfield	53,800	146.99
Korea	Osan AB	35,300	96.45

Korea	Pyongtaek	38,600	105.46
Korea	Seoul	53,800	146.99
Korea	Suwon	53,800	146.99
Korea	Taegu	32,900	89.89
Korea	Tongduchon	35,200	96.17
Kuwait	Kuwait City	64,400	175.96
Kuwait	All cities other than Kuwait City	57,700	157.65
Luxembourg	Luxembourg	37,900	103.55
Macedonia	Skopje	35,400	96.72
Malaysia	Kuala Lumpur	46,200	126.23
Malaysia	All cities other than Kuala Lumpur	33,700	92.08
Malta	Malta	55,100	150.55
Mexico	Merida	37,900	103.55
Mexico	Mexico City	47,900	130.87
Mexico	Monterrey	33,200	90.71
Mexico	All cities other than Ciudad Juarez, Cuernavaca, Guadalajara, Hermosillo, Matamoros, Mazatlan, Merida, Metapa, Mexico City, Monterrey, Nogales, Nuevo Laredo, Reynosa, Tapachula, Tijuana, Tuxtla Gutierrez, and Veracruz	39,400	107.65
Mozambique	Maputo	39,500	107.92
Netherlands	Amsterdam	52,900	144.54
Netherlands	Aruba	39,100	106.83
Netherlands	Brunssum	34,600	94.54

Netherlands	Eygelshoven	34,600	94.54
Netherlands	Hague, The	55,100	150.55
Netherlands	Heerlen	34,600	94.54
Netherlands	Hoensbroek	34,600	94.54
Netherlands	Hulsberg	34,600	94.54
Netherlands	Kerkrade	34,600	94.54
Netherlands	Landgraaf	34,600	94.54
Netherlands	Maastricht	34,600	94.54
Netherlands	Papendrecht	33,200	90.71
Netherlands	Rotterdam	33,200	90.71
Netherlands	Schaesburg	34,600	94.54
Netherlands	Schinnen	34,600	94.54
Netherlands	Schiphol	52,900	144.54
Netherlands	Ypenburg	55,100	150.55
Netherlands	All cities other than Amsterdam, Aruba, Brunssum, Coevorden, Eygelshoven, The Hague, Heerlen, Hoensbroek, Hulsberg, Kerkrade, Landgraaf, Maastricht, Margraten, Papendrecht, Rotterdam, Schaesburg, Schinnen, Schiphol, and Ypenburg.	32,800	89.62
Netherlands Antilles	Curacao	45,800	125.14
New Zealand	Auckland	35,700	97.54
New Zealand	Wellington	33,800	92.35
Nigeria	Abuja	36,000	98.36

Norway	Oslo	32,800	89.62
Oman	Muscat	41,300	112.84
Panama	Panama City	39,500	107.92
Peru	Lima	39,100	106.83
Philippines	Cavite	39,300	107.38
Philippines	Manila	39,300	107.38
Poland	Warsaw	40,900	111.75
Portugal	Alverca	42,300	115.57
Portugal	Lisbon	42,300	115.57
Qatar	Doha	45,888	125.38
Qatar	All cities other than Doha	32,400	88.52
Romania	Bucharest	41,200	112.57
Russia	Moscow	108,000	295.08
Russia	Saint Petersburg	60,000	163.93
Russia	Sakhalin Island	77,500	211.75
Russia	Vladivostok	77,500	211.75
Russia	Yekaterinburg	47,400	129.51
Saudi Arabia	Jeddah	30,667	83.79
Saudi Arabia	Riyadh	40,000	109.29
Singapore	Singapore	82,900	226.50
Slovenia	Ljubljana	48,500	132.51
South Africa	Pretoria	39,300	107.38
Spain	Barcelona	40,600	110.93

Spain	Madrid	56,300	153.83
Spain	Rota	34,400	93.99
Spain	Valencia	32,400	88.52
Suriname	Paramaribo	33,000	90.16
Switzerland	Bern	65,600	179.23
Switzerland	Geneva	93,300	254.92
Switzerland	Zurich	39,219	107.16
Switzerland	All cities other than Bern, Geneva and Zurich	32,900	89.89
Taiwan	Taipei	46,188	126.20
Tanzania	Dar Es Salaam	44,000	120.22
Thailand	Bangkok	59,000	161.20
Trinidad and Tobago	Port of Spain	54,500	148.91
Ukraine	Kiev	72,000	196.72
United Arab Emirates	Abu Dhabi	49,687	135.76
United Arab Emirates	Dubai	57,174	156.21
United Kingdom	Basingstoke	41,099	112.29
United Kingdom	Bath	41,000	112.02
United Kingdom	Bracknell	62,100	169.67
United Kingdom	Bristol	32,600	89.07
United Kingdom	Brookwood	32,600	89.07
United Kingdom	Cambridge	35,500	96.99
United Kingdom	Caversham	73,800	201.64
United Kingdom	Cheltenham	43,300	118.31

United Kingdom	Croughton	37,400	102.19
United Kingdom	Fairford	35,300	96.45
United Kingdom	Farnborough	54,700	149.45
United Kingdom	Felixstowe	34,300	93.72
United Kingdom	Gibraltar	44,616	121.90
United Kingdom	Harrogate	38,600	105.46
United Kingdom	High Wycombe	62,100	169.67
United Kingdom	Huntingdon	36,700	100.27
United Kingdom	Kemble	35,300	96.45
United Kingdom	Lakenheath	47,800	130.60
United Kingdom	London	71,500	195.36
United Kingdom	Loudwater	56,400	154.10
United Kingdom	Menwith Hill	38,600	105.46
United Kingdom	Mildenhall	47,800	130.60
United Kingdom	Oxfordshire	35,900	98.09
United Kingdom	Plymouth	35,900	98.09
United Kingdom	Portsmouth	35,900	98.09
United Kingdom	Reading	62,100	169.67
United Kingdom	Rochester	36,900	100.82
United Kingdom	Samlesbury	36,700	100.27
United Kingdom	Southampton	44,200	120.77
United Kingdom	Surrey	48,402	132.25
United Kingdom	Waterbeach	36,700	100.27

United Kingdom	Wiltshire	34,700	94.81
United Kingdom	All cities other than Basingstoke, Bath, Belfast, Birmingham, Bracknell, Bristol, Brookwood, Brough, Cambridge, Caversham, Chelmsford, Cheltenham, Chicksands, Croughton, Dunstable, Edinburgh, Edzell, Fairford, Farnborough, Felixstowe, Ft. Halstead, Gibraltar, Glenrothes, Greenham Common, Harrogate, High Wycombe, Huntingdon, Hythe, Kemble, Lakenheath, Liverpool, London, Loudwater, Menwith Hill, Mildenhall, Nottingham, Oxfordshire, Plymouth, Portsmouth, Reading, Rochester, Samlesbury, Southampton, Surrey, Waterbeach, Welford, West Byfleet, and Wiltshire.	36,700	100.27
Venezuela	Caracas	57,000	155.74
Vietnam	Hanoi	46,800	127.87
Vietnam	Ho Chi Minh City	42,000	114.75

SECTION 4. OPTION TO APPLY 2020 ADJUSTED HOUSING LIMITATIONS TO 2019 TAXABLE YEAR

For some locations, the limitation on housing expenses provided in Section 3 of this notice may be higher than the limitation on housing expenses provided in the “Table of Adjusted Limitations for 2019” in Notice 2019-24. A qualified individual incurring housing expenses in such a location during 2019 may apply the adjusted limitation on housing expenses provided in Section 3 of this notice for 2020 in lieu of the amounts provided in the "Table of Adjusted Limitations for 2019" in Notice 2019-24 (and as set forth in the Instructions to Form 2555, *Foreign Earned Income*, for 2019).

The Treasury Department and the IRS anticipate that future annual notices providing adjustments to housing expense limitations will make a similar option available to qualified individuals that incur housing expenses in the immediately preceding year. For example, when adjusted housing expense limitations for 2021 are issued, it is expected that taxpayers will be permitted to apply those adjusted limitations to the 2020 taxable year.

SECTION 5. Filing Prior Year or Amended Tax Returns

Notice 2011–8, 2011-8 I.R.B. 503; Notice 2012–19, 2012-10 I.R.B. 440; Notice 2013–31, 2013-21 I.R.B. 1099; Notice 2014-29, 2014-18 I.R.B. 991; Notice 2015-33, 2015-18 I.R.B. 934; Notice 2016-21, 2016-12 I.R.B. 465; Notice 2017-21, 2017-13 I.R.B. 1026; Notice 2018-44, 2018-21 I.R.B. 611; and Notice 2019-24, 2019-14, I.R.B.932 are relisted to assist those individuals who are filing prior year or amended tax returns.

SECTION 6. EFFECT ON OTHER DOCUMENTS

This notice supersedes Notice 2006-87, 2006-43 I.R.B. 766; Notice 2007-25, 2007-12 I.R.B. 760; Notice 2007-77, 2007-40 I.R.B. 735; Notice 2008-107, 2008-50 I.R.B. 1265; Notice 2010-27, 2010-15 I.R.B. 531; Notice 2011–8, 2011-8 I.R.B. 503; Notice 2012–19, 2012-10 I.R.B. 440; Notice 2013–31, 2013-21 I.R.B. 1099; Notice 2014-29, 2014-18 I.R.B. 991; Notice 2015-33, 2015-18 I.R.B. 934; Notice 2016-21, 2016-12 I.R.B. 465; Notice 2017-21, 2017-13 I.R.B. 1026; Notice 2018-44, 2018-21 I.R.B. 611; and Notice 2019-24, 2019-14, I.R.B.932.

SECTION 7. EFFECTIVE DATE

This notice is effective for taxable years beginning on or after January 1, 2020. However, as provided in Section 4, a taxpayer may apply the 2020 adjusted housing limitations contained in Section 3 of this notice to his or her taxable year beginning in 2019.

SECTION 8. DRAFTING INFORMATION

The principal author of this notice is Kate Y. Hwa of the Office of Associate Chief Counsel (International). For further information regarding this notice, contact Kate Y. Hwa at (202) 317-5001 (not a toll-free number).