

Your name	Social security number	Occupation in which expenses were incurred
Employer's name	Employer's address	

**Instructions**

Use this form to show the total amount of business expenses you had as an employee in 1978. Include all business expenses:

- (a) You paid as an employee;
- (b) You charged to your employer (for example, with credit cards);
- (c) For which you received an advance, allowance, or reimbursement.

The following publications give detailed information on business expenses you can deduct as an employee:

- Publication 463, Travel, Entertainment, and Gift Expenses;**
- Publication 529, Miscellaneous Deductions and Credits;**
- Publication 587, Business Use of Your Home;**
- Publication 508, Tax Information on Educational Expenses.**

**Part I**—Travel, transportation (but not commuting to and from work), meals and lodging, and some other business expenses can be deducted even if you do not itemize your deductions on Schedule A (Form 1040).

If you use your own car for your work, you can deduct what it cost you for business use.

You may figure your cost using actual expenses (gas, oil, repairs, depreciation, etc.) or a standard mileage rate.

The mileage rate is 17 cents a mile for the first 15,000 miles and 10 cents for each mile over 15,000. Add to the mileage rate amount the business portion of automobile interest and State and local taxes (except gasoline tax), parking fees, and tolls. For cars fully depreciated under the straight line method, the mileage rate is 10 cents a mile for all business mileage. Your car will not be considered fully depreciated if you use only the mileage rate method to figure the cost of your car's business use for the entire period you own it. **(Publication 463)**

Your meals and lodging costs can be deducted if you were temporarily away on business from the general area of your main place of work. You cannot deduct the cost of meals on daily trips where you did not need sleep or rest. **(Publication 463)**

An outside salesperson (one who does all selling away from the employer's place of business) who had business expenses other than those listed on lines 1, 2, and 3, such as selling expenses, stationery, and postage should list such expenses on line 4. A driver-salesperson whose main duties are service and delivery (for example, delivery of bread or milk) is not considered an outside salesperson. **(Publication 463)**

Other business expenses must be listed and their amount entered on line 5, Part I only if your employer paid (reimbursed) the expenses and you did not list them on line 1, 2, or 3. List only the amount of the expense that your employer paid (reimbursed). If the expense was larger than the amount of reimbursement, list the difference in Part II. **(Publication 463)**

**Part II**—Other business expenses not paid by your employer can only be deducted if you itemize your deductions on Schedule A (Form 1040). Examples of these expenses are union or professional dues, tools, uniforms, materials, and telephone calls, that your employer did not pay for. **(Publication 529)**

Expenses for business use of part of your home can only be deducted if that part is used exclusively and continuously in connection with your work and for the convenience of your employer. **(Publication 587)**

**Part III**—Give information on educational expenses in this part. Generally, you can deduct expenses for education that helps you maintain or improve your skills in your present job. You can also deduct costs of education required by your employer, the law, or regulations to keep your present salary or job. You cannot deduct expenses for study that helps you meet minimum requirements for your job, or helps you get a new job. **(Publication 508)**

**PART I.—Employee Business Expenses Deductible in Computing Adjusted Gross Income on Form 1040, Line 31**

1 Fares for airplane, boat, bus, taxicab, train, etc. . . . .		
2 Meals and lodging . . . . .		
3 Car expenses (from Part IV) . . . . .		
4 Outside salesperson's expenses (see Part I instructions above) ▶		
5 Other (see Part I instructions above) ▶		
6 Add lines 1 through 5 . . . . .		
7 Employer's payments for above expenses (other than amounts included on Form W-2) . . . . .		
8 Excess expenses (subtract line 7 from line 6). Enter here and include on Form 1040, line 23 . . . . .		
9 Excess payments (subtract line 6 from line 7). Enter here and include on Form 1040, line 20 . . . . .		

**PART II.—Employee Business Expenses that are only Deductible if You Itemize Deductions on Schedule A (Form 1040)**

1 Business expenses other than those included above (specify) ▶	
2 Total . . . . .	

*If you itemize your deductions, deduct under Miscellaneous Deductions, Schedule A (Form 1040).*

**PART III.—Additional Information to be Furnished When Claiming a Deduction for Educational Expenses**

1 Name of educational institution or activity ▶

2 Address ▶

3 Was this education needed to meet the minimum requirements for your job? . . . . .  Yes  No

4 Will this study program qualify you for a new job? . . . . .  Yes  No

5 If your answer to question 3 or 4 is "No," state your reason for getting the additional education and show the relationship between the courses taken and your job during the period. (If more space is needed, attach a statement) ▶

6 List the principal subjects studied, or describe your educational activity ▶

**PART IV.—Car Expenses** (Use either the regular or the optional method.)

	Car 1	Car 2	Car 3
<b>A.</b> Number of months car was held for business use during the year . . . . .	_____ months	_____ months	_____ months
<b>B.</b> Total mileage for months in line A, above . . . . .	_____ miles	_____ miles	_____ miles
<b>C.</b> Portion of total mileage that applied to business . . . . .	_____ miles	_____ miles	_____ miles

**Regular Method—Actual Expenses** (Include expenses for only the number of months shown in line A, above.)

<b>1</b> Gasoline, oil, lubrication, etc. . . . .			
<b>2</b> Repairs . . . . .			
<b>3</b> Tires, supplies, etc. . . . .			
<b>4</b> Other: <b>(a)</b> Insurance . . . . .			
<b>(b)</b> Taxes . . . . .			
<b>(c)</b> Tags and licenses . . . . .			
<b>(d)</b> Interest . . . . .			
<b>(e)</b> Miscellaneous . . . . .			
<b>5</b> Total . . . . .			
<b>6</b> Percentage of expense that applied to business (divide line C by line B, above) . . . . .	_____ %	_____ %	_____ %
<b>7</b> Business portion (multiply line 5 by line 6) . . . . .			
<b>8</b> Depreciation from Part VI, column (h) . . . . .			
<b>9</b> Divide line 8 by 12 months . . . . .			
<b>10</b> Multiply line 9 by line A, above . . . . .			
<b>11</b> Total (add line 7 and line 10) (see line 19) . . . . .			

**Optional Method—Standard Mileage Rate**

<b>12</b> Enter the smaller of 15,000 miles or the combined mileage from line C, above . . . . .	_____ miles
<b>13</b> Multiply line 12 by 17¢ (10¢ if car is fully depreciated under straight line method) and enter here . . . . .	_____
<b>14</b> Enter any combined mileage from line C that is over 15,000 miles . . . . .	_____ miles
<b>15</b> Multiply line 14 by 10¢ and enter here . . . . .	_____
<b>16</b> Total mileage rate expense (add lines 13 and 15) . . . . .	_____
<b>17</b> Business portion of car interest and State and local taxes (other than gasoline tax) . . . . .	_____
<b>18</b> Total (add lines 16 and 17) . . . . .	_____

**Summary:**

<b>19</b> Enter amount from line 11 or line 18, whichever is used . . . . .	_____
<b>20</b> Add parking fees and tolls . . . . .	_____
<b>21</b> Total (add lines 19 and 20). Enter here and in Part I, line 3 . . . . .	_____

**PART V.—Computation of Car Basis**

Trade-in of Old Car:			New Car:	
<b>1</b> <b>(a)</b> Total mileage accumulated . . . . .	_____ miles		<b>10</b> Purchase price or other basis . . . . .	_____
<b>(b)</b> Portion that applied to business . . . . .	_____ miles		<b>11</b> Estimated salvage value . . . . .	_____
<b>(c)</b> Percentage that applied to business (divide line (b) by line (a)) . . . . .	_____ %		<b>12</b> Difference (subtract line 11 from line 10) . . . . .	_____
<b>2</b> Purchase price or other basis . . . . .			<b>13</b> Multiply line 12 by the percentage on line 6 of Part IV . . . . .	_____
<b>3</b> Trade-in allowance . . . . .			<b>14</b> To the amount on line 13, subtract gain or add (loss) on line 9 . . . . .	_____
<b>4</b> Difference (subtract line 3 from line 2) . . . . .			<b>15</b> Basis for figuring depreciation . . . . .	_____
<b>5</b> Multiply line 4 by percentage on line 1(c) . . . . .				
<b>6</b> To amount on line 5, subtract gain or add (loss) on previous trade-in . . . . .				
<b>7</b> Balance . . . . .				
<b>8</b> Depreciation allowed or allowable . . . . .				
<b>9</b> Gain (Subtract line 7 from line 8) or (loss) (Subtract line 8 from line 7) on business portion . . . . .				

**Note:** If you acquired the car for cash only, or by trade-in of another car not used in business, complete only lines 10 through 15. If you acquired it by trade-in of another car previously used in business, complete lines 1 through 15. (Refigure the basis for depreciation each succeeding year if the percentage of business use changes.)

**PART VI.—Car Depreciation**

Make and style of car (a)	Date acquired (b)	Basis (from line 15, Part V) (c)	Age of car when acquired (d)	Depreciation allowed in previous years (e)	Method of figuring depreciation (f)	Rate (%) or life (years) (g)	Depreciation this year (h)