**Paperwork Reduction Act Notice.**—The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

**Instructions**

Use this form to show your business expenses as an employee during 1981. Include amounts:

- You paid as an employee;
- You charged to your employer (such as by credit card);
- You received as an advance, allowance, or repayment.


**Part I.**—You can deduct some business expenses even if you do not itemize your deductions on Schedule A (Form 1040). Examples are expenses for travel (except commuting to and from work), meals, or lodging. List these expenses in Part I and use them in figuring your adjusted gross income on Form 1040, line 31.

**Line 2.**—You can deduct meals and lodging costs if you were on a business trip away from your main place of work. Do not deduct the cost of meals you ate on one-day trips when you did not need sleep or rest.

**Line 3.**—If you use a car you own in your work, you can deduct the cost of the business use. Enter the cost here after figuring it in Part IV. You can take either the cost of your actual expenses (such as gas, oil, repairs, depreciation, etc.) or you can use the standard mileage rate.

The mileage rate is 20 cents a mile up to 15,000 miles. After that, or for all business miles considered fully depreciated at a rate of 11 cents a mile. If you use the standard mileage rate to figure the cost of business use, the car is considered to have a useful life of 60,000 miles of business use at the maximum standard mileage rate. After 60,000 miles of business use at the maximum rate, the car is considered to be fully depreciated. (For details, see Publication 463.)

**Caution:** You cannot use the mileage rate for a leased vehicle.

Figure your mileage rate amount and add it to the business part of what you spent on the car for parking fees, tolls, interest, and State and local taxes (except gasoline tax).

**Line 4.**—If you were an outside salesperson with other business expenses, list them on line 4. Examples are selling expenses or expenses for stationery and stamps. An outside salesperson does all selling outside the employer's place of business. A driver-salesperson whose main duties are service and delivery, such as delivering bread or milk, is not an outside salesperson. (For details, see Publication 463.)

**Line 5.**—Show other business expenses on line 5 if your employer repaid you for them. If you were repaid for part of them, show here the amount you were repaid. Show the rest in Part II.

**Part II.**—You can deduct other business expenses only if (a) your employer did not repay you, and (b) you itemize your deductions on Schedule A (Form 1040). Report these expenses here and under Miscellaneous Deductions on Schedule A. (For details, see Publication 529.)

You can deduct expenses for business use of the part of your home that you exclusively and consistently use for your work. If you are not self-employed, your working at home must be for your employer's convenience. (For business use of home, see Publication 587.)

### PART I. Employee Business Expenses Deductible in Figuring Adjusted Gross Income on Form 1040, Line 31

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fares for airplane, boat, bus, taxi/cab, train, etc.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Meals and lodging</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Car expenses (from Part IV, line 21)</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Outside salesperson's expenses (see Part I instructions above)</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Other (see Part I instructions above)</td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Business expenses not included above (list expense and amount)</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Total. Deduct under Miscellaneous Deductions, Schedule A (Form 1040)</td>
<td></td>
</tr>
</tbody>
</table>
PART III.—Information About Education Expenses Shown in Part I or Part II

1. Name of educational institution or activity

2. Address

3. Did you need this education to meet the basic 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 Yes, you cannot deduct these expenses. If No, explain (1) why you are getting the education, and (2) what the relationship was between the courses you took and your job. (If you need more space, attach a statement.)

6. List your main subjects, or describe your educational activity

PART IV.—Car Expenses (Use either your actual expenses or the mileage rate.)

<table>
<thead>
<tr>
<th>Car 1</th>
<th>Car 2</th>
<th>Car 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Number of months you used car for business during 1981</td>
<td>months</td>
<td>months</td>
</tr>
<tr>
<td>B. Total mileage for months in line A</td>
<td>miles</td>
<td>miles</td>
</tr>
<tr>
<td>C. Business part of line B mileage</td>
<td>miles</td>
<td>miles</td>
</tr>
</tbody>
</table>

Actual Expenses (Include expenses on lines 1–5 for only the months shown in line A, above.)

1. Gasoline, oil, lubrication, etc.
2. Repairs
3. Tires, supplies, etc.
4. Other: (a) Insurance
   (b) Taxes
   (c) Tags and licenses
   (d) Interest
   (e) Miscellaneous
5. Total (add lines 1 through 4(e))
6. Business percentage of car use (divide line C by line B, above) % % %
7. Business part of car expense (multiply line 5 by line 6).
8. Depreciation (see instructions on front)
   Caution: If you use ACRS, skip line 9 and enter the amount from line 8 on line 10.
9. Divide line 8 by 12 months
10. Multiply line 9 by line A, above
11. Total (add line 7 and line 10; then skip to line 19)

Mileage Rate

12. Enter the smaller of (a) 15,000 miles or (b) the combined mileages from line C, above.
13. Multiply line 12 by 20¢ (11¢ if car is fully depreciated) and enter here.
14. Enter any combined mileage from line C that is over 15,000 miles.
15. Multiply line 14 by 11¢ and enter here.
16. Total mileage expense (add lines 13 and 15).
17. Business part of car interest and State and local taxes (except gasoline tax).
18. Total (add lines 16 and 17).

Summary

19. Enter amount from line 11 or line 18, whichever you used.
20. Parking fees and tolls.
21. Total (add lines 19 and 20). Enter here and in Part I, line 3.