Moving Expense Adjustment

Name(s) as shown on Form 1040

Social security number

(a) What is the distance from your former residence to your new business location? __________ miles

(b) What is the distance from your former residence to your former business location? __________ miles

(c) If the distance in (a) is 50 or more miles farther than the distance in (b), complete the rest of this form. If the distance is less than 50 miles, you are not entitled to a moving expense deduction. (See instruction A.)

1 Transportation expenses in moving household goods and personal effects

2 Travel, meals, and lodging expenses in moving from former to new residence

3 Pre-move travel, meals, and lodging expenses in searching for a new residence after obtaining employment

4 Temporary living expenses in new location or area during any 30 consecutive days after obtaining employment

5 Total (Add lines 3 and 4.)

6 Enter the lesser: Line 5 or $1,000 ($500 if married, filing a separate return, and you resided with your spouse who also started work during the taxable year)

7 Expenses incident to: (Check one.)
   (a) ☐ sale or exchange of your former residence; or,
   (b) ☐ if nonowner, settlement of your unexpired lease on former residence.

8 Expenses incident to: (Check one.)
   (a) ☐ purchase of a new residence; or,
   (b) ☐ if renting, acquiring a new lease

9 Total (Add lines 6, 7, and 8.)

Note: If you use the amounts shown on line 7(a) or 8(a) as part of your moving expense and line 9 exceeds $2,500 ($1,250 if married, filing a separate return, and you resided with your spouse who also started to work during the taxable year), you may reduce line 7(a) or 8(a) by the excess. Consider the reduction a decrease in realized gain on the sale of your residence or as an increase in the basis of your new residence, or both.

10 Enter the lesser: Line 9 or $2,500 ($1,250 if married, filing a separate return, and you resided with your spouse who also started work during the taxable year). (See instruction C(2).)

11 Total moving expenses (Add lines 1, 2, and 10.)

12 Reimbursements and allowances received for this move (other than amounts included on Form W-2)
   (See instruction L.)

13 If line 12 is less than line 11, enter the excess here and on Form 1040, line 40

14 If line 12 is larger than line 11, enter the excess here and on Form 1040, line 37, as "Excess moving reimbursement"

Instructions

A. Who May Deduct Moving Expenses.—An employed or a self-employed person may deduct reasonable moving expenses paid or incurred during the taxable year in connection with a move he makes to a new principal work place.

The deduction is allowable to you only if (a) your change in job location has added at least 50 miles to the distance from your old residence to your work, or (b) if you had no former principal work place, your new principal work place is at least 50 miles from your former residence. (The distance between two points is considered to be the shortest of the more commonly traveled routes between those points.)

Also, the deduction is allowable only if either (a) during the 12 months immediately following your arrival in the general location of your new principal work place you are a full-time employee during at least 39 weeks, or (b) during the 24 months immediately following such arrival you are a full-time employee or self-employed on a full-time basis during at least 78 weeks, of which not less than 39 weeks are during the 12 months following your arrival.

B. The 39 Week/78 Week Test.—Disregard the 39 week/78 week test referred to in instruction A if employment is terminated because of death, disability, involuntary separation (other than for willful misconduct), or transfer for the employer’s benefit.

If you have not satisfied the 39 week/78 week test before time for filing your return for the taxable year in which you paid or incurred the moving expenses, but believe you will later satisfy it, you may still deduct those expenses in the year you paid or incurred them.

(Continued on back)
If, however, you have not satisfied the 39 week/78 week test at the close of your next taxable year, you must include an amount equal to the deduction for moving expenses taken in the prior year, in income you report for that next year, unless you file an amended return to eliminate the deduction for the year you claimed it.

C. Deductible Moving Expenses.—
(1) Expenses Not Subject to a Dollar Limitation, lines 1 and 2.—These are:
(a) Expenses for moving household goods and personal effects from your former to your new residence, and
(b) Travel expenses (including meals and lodging) from your former to your new residence (not to be confused with other travel expenses, explained below).
(2) Expenses Subject to a Dollar Limitation, lines 3, 4, 7, and 8.—These are:
(a) Travel expenses (including meals and lodging), after you obtain employment, from your former residence to the general location of your new principal work place and return, primarily to find a new residence.
(b) Meals and lodging expenses while occupying temporary quarters in the general location of your new principal work place during any 30 consecutive days after you obtain employment, and
(c) Qualified expenses attributable to the sale, purchase, or lease of your residence.

These C(2) expenses cannot exceed $2,500 overall per move, of which the C(2)(a) and (b) expenses cannot exceed $1,000.

If you and your spouse both begin work at new principal work places during the taxable year, consider the two events as one when assigning the dollar limitations in C(2) if, at the end of the taxable year, you have shared the same new residence. If you file separate returns, these expenses are limited to $1,250 overall per move for each of you, and the C(2)(a) and (b) expenses cannot exceed $500 for each of you.

However, if you and your spouse have not shared the same new residence nor made specific plans to do so within a determinable time, consider the events separately. If you file separate returns, these expenses are limited to $2,500 overall per move, and the C(2)(a) and (b) expenses cannot exceed $1,000. If you file a joint return, these expenses are limited to $5,000 overall per move, and the C(2)(a) and (b) expenses cannot exceed $2,000.

D. Reasonable Moving Expenses.—
The term "moving expenses" includes only those expenses that are reasonable under the particular move's circumstances. Expenses related to your house-