

# Moving Expense Adjustment

**1979**

▶ Attach to Form 1040.

Name(s) as shown on Form 1040

Your social security number

- (a) What is the distance from your former residence to your new job location? ..... miles
- (b) What is the distance from your former residence to your former job location? ..... miles
- (c) If the distance in (a) is 35 or more miles farther than the distance in (b), complete the rest of this form. If the distance is less than 35 miles, you cannot take a deduction for moving expenses. This rule does not apply to members of the armed forces.

1	Transportation expenses in moving household goods and personal effects . . . . .		1	
2	Travel, meals, and lodging expenses in moving from former to new residence . . . . .		2	
3	Pre-move travel, meals, and lodging expenses in searching for a new residence after getting your job . . . . .			
4	Temporary living expenses in new location or area during any 30 consecutive days after getting your job . . . . .			
5	Total. Add lines 3 and 4 . . . . .	5		
6	Enter the smaller of line 5 or \$1,500 (\$750 if married filing a separate return and you lived with your spouse who also started work during the tax year) . . . . .		6	
7	Expenses for: (Check only one box) (a) <input type="checkbox"/> sale or exchange of your former residence; or, (b) <input type="checkbox"/> if renting, settlement of unexpired lease on your former residence . . . . .		7	
8	Expenses for: (Check only one box) (a) <input type="checkbox"/> buying a new residence; or, (b) <input type="checkbox"/> if renting, getting a lease on a new residence . . . . .		8	
9	Total. Add lines 6, 7, and 8 . . . . .		9	
<b>Note:</b> Amounts on lines 7(a) and 8(a) not deducted because of the \$3,000 (or \$1,500) limit on moving expenses may generally be used either to decrease the gain on the sale of your residence, or to increase the basis of your new residence.				
10	Enter the smaller of line 9 or \$3,000 (\$1,500 if married, filing a separate return, and you lived with your spouse who also started work during the tax year) . . . . .		10	
11	Total moving expenses. Add lines 1, 2, and 10 . . . . .		11	
12	Reimbursements and allowances received for this move. Do not report amounts included on your Form W-2 . . . . .		12	
13	If line 12 is less than line 11, enter the difference here and on Form 1040, line 23 . . . . .		13	
14	If line 12 is larger than line 11, enter the difference here and on Form 1040, line 21, as "Excess moving reimbursement" . . . . .		14	

## General Instructions

**A. Who May Deduct Moving Expenses.**—If you moved your residence because of a change in the location of your job, you may be able to deduct your moving expenses. You may qualify for a deduction whether you are self-employed or an employee. But you must meet certain tests of distance and time, explained below. If you need more information, please get **Publication 521, Moving Expenses**.

(1) **Distance Test.**—Your new job location must be at least 35 miles farther from your former residence than your old job location was. For example, if your former job was 3 miles from your former residence, your new job must be at least 38

miles from that residence. If you did not have an old job location, your new job must be at least 35 miles from your former residence. (The distance between the two points is the shortest of the commonly traveled routes between the points.)

(2) **Time Test.**—If you are an employee, you must work full time for at least 39 weeks during the 12 months right after you move. If you are self-employed, you must work for at least 39 weeks during the first 12 months and a total of 78 weeks during the 24 months right after you move.

You may deduct your moving expenses for 1979 even if you have not met the

"time" test before your 1979 return is due. You may do this if you expect to meet the 39-week test by the end of 1980 or the 78-week test by the end of 1981. If you have not met the test by then, you will have to do one of the following:

- Amend your 1979 tax return on which you deducted moving expenses. To do this, use Form 1040X, Amended U.S. Individual Income Tax Return.
- Report as income on your tax return for the year you cannot meet the test the amount you deducted on your 1979 return.

(Continued on back)

If you do not deduct your moving expenses on your 1979 return, and you later meet the time test, you may file an amended return for 1979, taking the deduction. To do this, use Form 1040X.

**B. Exceptions to the Distance and Time Tests.**—If you are in the armed forces, you do not have to meet the distance and time tests if the move is due to a permanent change of station. In figuring your moving expenses, do not deduct any moving expenses for moving services that were furnished by the military or that were reimbursed to you and that you did not include in income. However, you may deduct any unreimbursed moving expenses you have subject to the dollar limits. Also, treat each move for yourself or your spouse or your dependents to or from separate locations as a single move.

You do not have to meet the time test if your job ends because of death, disability, transfer for the employer's benefit, or layoff or other discharge besides willful misconduct.

**C. Moving Expenses in General.**—You can deduct most but not all of your moving expenses.

Examples of expenses you CAN deduct are:

- Travel, meal, and lodging expenses during the move to the new residence.
- Temporary living expenses in the new location.
- Pre-move travel expenses.

Examples of expenses you CANNOT deduct are:

- Loss on the sale of your house.
- Mortgage penalties.
- Cost of refitting carpets and draperies.
- Losses on quitting club memberships.

The line-by-line instructions below explain how to figure the expenses you can deduct. The items listed must be the reasonable amounts you spent for the move. The expenses apply only to your family and dependent household members. They do not apply to employees such as a servant, governess, or nurse.

## Line-by-Line Instructions

To see whether you meet the "distance" test, fill in the number of miles for questions (a) and (b) at the top of the form. If you meet the test in (c), continue with the items that follow.

**Line 1, Household Goods and Personal Effects.**—In figuring this amount, include the actual cost of packing, crating, moving, storing in transit, and insuring your household goods and personal effects.

**Line 2, Travel Expenses.**—Figure in this amount the costs of travel from your old residence to your new residence. These include transportation, meals, and lodging on the way, including costs for the day you arrive. You may take this travel deduction for only one trip. However, all the members of your household do not have to travel together and at the same time. If you use your own car, you may figure the expenses in either of two ways:

(a) Actual out-of-pocket expenses for gasoline, oil, and repairs. (Keep records to verify the amounts.)

(b) At the rate of 8 cents a mile. (Attach a sheet of paper showing your figures to verify mileage.)

**Line 3, Pre-move Expenses.**—Include in this amount the costs of travel before you move in order to look for a new residence. You may deduct the costs only if the following apply:

(a) If you began the house-hunting trip after you got the job;

(b) And if you returned to your old residence after looking for a new one;

(c) And if you traveled to the general location of the new work place primarily to look for a new residence.

Your deduction for pre-move travel is not limited to any number of trips by you or your household members. Your house-hunting does not have to be successful to qualify for this deduction. If you used your own car, figure transportation costs the same way as in the instructions for line 2. If you are self-employed, you can deduct these house-hunting costs only if you had already made substantial arrangements to begin work in the new location.

**Line 4, Temporary Living Expenses.**—Include in this amount the costs of meals and lodging while occupying temporary quarters in the area of your new place of work. You may include these costs for any period of 30 consecutive days after you get the job. If you are self-employed, you can count these temporary living expenses only if you had already made substantial arrangements to begin work in the new location.

**Line 5, Total.**—Add the amounts in lines 3 and 4.

**Line 6.**—Enter either the amount on line 5 or \$1,500, whichever is smaller. (If you are married filing a separate return and you lived with your spouse who also started work during the tax year, enter either the amount on line 5 or \$750, whichever is smaller.)

**Lines 7 and 8, Expenses for the Sale, Purchase, or Lease of a Residence.**—You may include in these amounts some costs when you sell or buy a residence and when you settle or get a lease. Examples are:

- Sales commissions.
- Advertising costs.
- Attorney's fees.
- Title and escrow fees.
- State transfer taxes.
- Costs to settle an unexpired lease or buy a new lease.

Examples of expenses you CANNOT include are:

- Costs to improve the residence to help it sell.
- Charges for payment or prepayment of interest.
- Payments or prepayments of rent.

Check the appropriate box (a) or (b) for line 7 and for line 8 when you enter the amounts for these two lines.

**Line 9, Total.**—Add lines 6, 7, and 8.

**Line 10.**—Enter either the amount on line 9 or \$3,000, whichever is smaller. (If you are married filing a separate return and you lived with your spouse who also started working during the tax year, enter either the amount on line 9 or \$1,500, whichever is smaller.)

**Line 11, Total Moving Expenses.**—Add lines 1, 2, and 10.

**Line 12, Reimbursements and Allowances.**—Include all reimbursements and allowances for moving expenses in income. In general, Form W-2 includes such reimbursements and allowances. However, check with your employer if you are in doubt. Your employer is required to give you a statement showing a detailed breakdown of reimbursements or payments of moving expenses. Form 4782, Employee Moving Expense Information, may be used for this purpose. Use line 12 for reporting reimbursements and allowances if they are not included elsewhere on Form 1040 or related schedules.

**Line 13.**—If line 12 is less than line 11, subtract line 12 from line 11. Enter the result here and on Form 1040, line 23.

**Line 14.**—If line 12 is more than line 11, subtract line 11 from line 12. Enter the result here and on Form 1040, line 21. Next to the amount, write "Excess moving reimbursement."

**Double Benefits.**—You cannot take double benefits. For example, you cannot use the moving expense on line 7 that became part of your moving expense deduction to lower the amount of gain on the sale of your old residence. You also cannot use the moving expense on line 8 that became part of your moving expense deduction to add to the cost of your new residence. (See Form 2119, Sale or Exchange of Personal Residence, to figure the gain to report on the old residence and the adjusted cost of the new one.)

**Dollar Limitations.**—Lines 1 and 2 (costs of moving household goods and costs of travel to your new residence) are not limited to any amount. All the other costs (lines 3, 4, 7, and 8) together cannot be more than \$3,000. In addition, line 3 (house-hunting trip costs) and line 4 (temporary lodging costs) together cannot be more than \$1,500.

There are some special cases:

(a) Both you and your spouse began work at new work places and shared the same new residence: You must consider this as one move rather than two if you shared the same new residence at the end of 1979. If you file separate returns, costs for lines 3, 4, 7, and 8 are limited to \$1,500 per move for each of you. Costs of house-hunting and temporary living expenses (lines 3 and 4) are limited to \$750 for each of you.

(b) Both you and your spouse began work at new work places but you moved to separate new residences: Report moving expenses separately. If you file separate returns, each of you is limited to \$3,000 for lines 3, 4, 7, and 8; and to \$1,500 for lines 3 and 4. If you file a joint return, the limits are \$6,000 for lines 3, 4, 7, and 8; and \$3,000 for lines 3 and 4.

**Qualified Retired People or Survivors Living Outside the United States.**—There are special rules for moving expenses to a U.S. residence for qualified retired people or survivors. If you meet the requirements below, treat your moving expenses as if you incurred them because of a move to a new principal work place located in the United States.

Use this form instead of Form 3903F, Foreign Moving Expense Adjustment. You do not have to meet the time test, discussed in instruction A, but you are subject to the dollar limitations and distance test that apply to moves within the United States (contained in this form).

**Retired People.**—You may be able to claim moving expenses if both your former principal work place and your former residence were outside the United States. This deduction is for moving expenses to a new U.S. residence in connection with your actual retirement.

**Survivors.**—If you are the spouse or dependent of a deceased person whose principal work place at the time of death was outside the United States, you may be able to claim some moving expenses. You must meet the following requirements:

- The moving expenses are for a move which begins within 6 months after the death of the decedent.
- The move is to a U.S. residence from a former residence outside the United States.
- At the time of death, the decedent and you shared your former residence.