



# Instructions for Form 2555

## Foreign Earned Income

Section references are to the Internal Revenue Code unless otherwise noted.

### Future Developments

For the latest information about developments related to Form 2555 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/form2555](http://www.irs.gov/form2555).

### What's New

**Exclusion amount.** For 2014, the maximum exclusion has increased to \$99,200.

### General Instructions



**Do not include on Form 1040, line 64 (federal income tax withheld), any taxes an employer withheld from your pay and paid to the foreign country's tax authority instead of to the U.S. Treasury.**

### Purpose of Form

If you qualify, you can use Form 2555 to figure your foreign earned income exclusion and your housing exclusion or deduction. You cannot exclude or deduct more than your foreign earned income for the year.

You may be able to use Form 2555-EZ, Foreign Earned Income Exclusion, if you did not have any self-employment income for the year, your total foreign earned income did not exceed \$99,200, you do not have any business or moving expenses, and you do not claim the housing exclusion or deduction. For more details, see Form 2555-EZ and its separate instructions.

### General Information

If you are a U.S. citizen or a U.S. resident alien living in a foreign country, you are subject to the same U.S. income tax laws that apply to citizens and resident aliens living in the United States.

**Note.** Specific rules apply to determine if you are a resident or nonresident alien of the United States. See Pub. 519, U.S. Tax Guide for Aliens, for details.

**Foreign country.** A foreign country is any territory under the sovereignty of a government other than that of the United States.

The term "foreign country" includes the country's territorial waters and airspace,

but not international waters and the airspace above them. It also includes the seabed and subsoil of those submarine areas adjacent to the country's territorial waters over which it has exclusive rights under international law to explore and exploit the natural resources.

The term "foreign country" does not include U.S. possessions or territories. It does not include the Antarctic region.

### Who Qualifies

You qualify for the tax benefits available to taxpayers who have foreign earned income if both of the following apply.

- You meet the tax home test (discussed later on this page).
- You meet either the bona fide residence test or the physical presence test, discussed later.

**Note.** Income from working abroad as an employee of the U.S. Government does not qualify for either of the exclusions or the housing deduction. Do not file Form 2555.

**Tax home test.** To meet this test, your tax home must be in a foreign country, or countries (see *Foreign country*, earlier), throughout your period of bona fide residence or physical presence, whichever applies. For this purpose, your period of physical presence is the 330 full days during which you were present in a foreign country, not the 12 consecutive months during which those days occurred.

Your tax home is your regular or principal place of business, employment, or post of duty, regardless of where you maintain your family residence. If you do not have a regular or principal place of business because of the nature of your trade or business, your tax home is your regular place of abode (the place where you regularly live).

You are not considered to have a tax home in a foreign country for any period during which your abode is in the United States. However, if you are temporarily present in the United States, or you maintain a dwelling in the United States (whether or not that dwelling is used by your spouse and dependents), it does not necessarily mean that your abode is in the United States during that time.

**Example.** You are employed on an offshore oil rig in the territorial waters of a foreign country and work a 28-day on/28-day off schedule. You return to your

family residence in the United States during your off periods. You are considered to have an abode in the United States and do not meet the tax home test. You cannot claim either of the exclusions or the housing deduction.

### Travel to Cuba

Generally, if you were in Cuba in violation of U.S. travel restrictions, the following rules apply.

- Any time spent in Cuba cannot be counted in determining if you qualify under the bona fide residence or physical presence test.
- Any income earned in Cuba is not considered foreign earned income.
- Any housing expenses in Cuba (or housing expenses for your spouse or dependents in another country while you were in Cuba) are not considered qualified housing expenses.

**Note.** If you performed services at the U.S. Naval Base at Guantanamo Bay, you were not in violation of U.S. travel restrictions.

### Additional Information

Pub. 54, Tax Guide for U.S. Citizens and Resident Aliens Abroad, has more information about the bona fide residence test, the physical presence test, the foreign earned income exclusion, and the housing exclusion and deduction. You can get this publication from most U.S. Embassies and consulates or by writing to: National Distribution Center, 1201 N. Mitsubishi Motorway, Bloomington, IL 61705-6613. You can also download this publication (as well as other forms and publications) at [IRS.gov](http://IRS.gov).

### Waiver of Time Requirements

If your tax home was in a foreign country and you were a bona fide resident of, or physically present in, a foreign country and had to leave because of war, civil unrest, or similar adverse conditions, the minimum time requirements specified under the bona fide residence and physical presence tests may be waived. You must be able to show that you reasonably could have expected to meet the minimum time requirements if you had not been required to leave. Each year the IRS will publish in the Internal Revenue Bulletin a list of the only countries that qualify for the waiver for the previous year and the dates they qualify. If you left one of the countries during the period

indicated, you can claim the tax benefits on Form 2555, but only for the number of days you were a bona fide resident of, or physically present in, the foreign country.

If you can claim either of the exclusions or the housing deduction because of the waiver of time requirements, attach a statement to your return explaining that you expected to meet the applicable time requirement, but the conditions in the foreign country prevented you from the normal conduct of business. Also, enter "Claiming Waiver" in the top margin on page 1 of Form 2555.

## When To File

A 2014 calendar year Form 1040 is generally due April 15, 2015.

However, you are automatically granted a 2-month extension of time to file (to June 15, 2015, for a 2014 calendar year return) if, on the due date of your return, you live outside the United States and Puerto Rico and your tax home (defined earlier) is outside the United States and Puerto Rico. If you take this extension, you must attach a statement to your return explaining that you meet these two conditions.

The automatic 2-month extension also applies to paying the tax. However, you will owe interest on any tax not paid by the regular due date of your return.

**When to claim the exclusion(s).** The first year you plan to take the foreign earned income exclusion and/or the housing exclusion or deduction, you may not yet have met either the physical presence test or the bona fide residence test by the due date of your return (including the automatic 2-month extension, discussed earlier). If this occurs, you can either:

1. Apply for a special extension to a date after you expect to qualify, or
2. File your return timely without claiming the exclusion and then file an amended return after you qualify.

**Special extension of time.** To apply for this extension, complete and file Form 2350, Application for Extension of Time To File U.S. Income Tax Return, with the Department of the Treasury, Internal Revenue Service Center, Austin, TX 73301-0045, before the due date of your return. Interest is charged on the tax not paid by the regular due date as explained earlier.

**Amended return.** File Form 1040X, Amended U.S. Individual Income Tax Return, to change a return you already filed. Generally, Form 1040X must be filed within 3 years after the date the original return was filed or within 2 years after the date the tax was paid, whichever is later.

## Where To File

Attach Form 2555 to Form 1040 when filed. Mail your Form 1040 to one of the special addresses designated for those filing Form 2555 or Form 2555-EZ. Do not mail your Form 1040 to the addresses associated with your state of residence if Form 2555 or Form 2555-EZ is attached. See the Instructions for Form 1040. The filing addresses are also available at [www.irs.gov/uac/INTERNATIONAL-Where-to-File-Form-1040,-1040A,-and-1040EZ-Addresses-for-Taxpayers-and-Tax-Professionals](http://www.irs.gov/uac/INTERNATIONAL-Where-to-File-Form-1040,-1040A,-and-1040EZ-Addresses-for-Taxpayers-and-Tax-Professionals).

## Choosing the Exclusion(s)

To choose either of the exclusions, complete the appropriate parts of Form 2555 and file it with your Form 1040 or Form 1040X, Amended U.S. Individual Income Tax Return. Your initial choice to claim the exclusion must usually be made on a timely filed return (including extensions) or on a return amending a timely filed return. However, there are exceptions. See Pub. 54 for details.

Once you choose to claim an exclusion, that choice remains in effect for that year and all future years unless it is revoked. To revoke your choice, you must attach a statement to your return for the first year you do not wish to claim the exclusion(s). If you revoke your choice, you cannot claim the exclusion(s) for your next 5 tax years without the approval of the Internal Revenue Service. See Pub. 54 for more information.

### Figuring tax on income not excluded.

If you claim either of the exclusions or the housing deduction, you must figure the tax on your nonexcluded income using the tax rates that would have applied had you not claimed the exclusions. See the Instructions for Form 1040 and complete the Foreign Earned Income Tax Worksheet to figure the amount of tax to enter on Form 1040, line 44. When figuring your alternative minimum tax on Form 6251, you must use the Foreign Earned Income Tax Worksheet in the instructions for Form 6251.

**Earned income credit.** You cannot take the earned income credit if you claim either of the exclusions or the housing deduction.

**Foreign tax credit or deduction.** You cannot take a credit or deduction for foreign income taxes paid or accrued on income that is excluded under either of the exclusions. If all of your foreign earned income is excluded, you cannot claim a credit or deduction for the foreign taxes paid or accrued on that income. If only part of your income is excluded, you cannot claim a credit or deduction for the foreign taxes allocable to the excluded income. See Pub. 514, Foreign Tax Credit for

Individuals, for details on how to figure the amount allocable to the excluded income.

**IRA deduction.** If you claim either of the exclusions, special rules apply in figuring the amount of your IRA deduction. For details, see Pub. 590, Individual Retirement Arrangements (IRAs).

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## Specific Instructions

### Part I

**Line 1.** Enter entire address including city or town, state or province, country, and ZIP or foreign postal code. If using a military or diplomatic address, include the country in which you are living or stationed.

### Part II

#### Bona Fide Residence Test

To meet this test, you must be one of the following:

- A U.S. citizen who is a bona fide resident of a foreign country, or countries, for an uninterrupted period that includes an entire tax year (January 1–December 31, if you file a calendar year return), or
- A U.S. resident alien who is a citizen or national of a country with which the United States has an income tax treaty in effect and who is a bona fide resident of a foreign country, or countries, for an uninterrupted period that includes an entire tax year (January 1–December 31, if you file a calendar year return). See Pub. 901, U.S. Tax Treaties, for a list of countries with which the United States has an income tax treaty in effect.

Whether you are a bona fide resident of a foreign country depends on your intention about the length and nature of your stay. Evidence of your intention may be your words and acts. If these conflict, your acts carry more weight than your words. Generally, if you go to a foreign country for a definite, temporary purpose and return to the United States after you accomplish it, you are not a bona fide resident of the foreign country. If accomplishing the purpose requires an extended, indefinite stay, and you make your home in the foreign country, you may be a bona fide resident. See Pub. 54 for more information and examples.

**Line 10.** Enter the dates your bona fide residence began and ended. If you are still a bona fide resident, enter "Continues" in the space for the date your bona fide residence ended.

**Lines 13a and 13b.** If you submitted a statement of nonresidence to the authorities of a foreign country in which you earned income and the authorities hold that you are not subject to their income tax laws by reason of

nonresidency in the foreign country, you are not considered a bona fide resident of that country.

If you submitted such a statement and the authorities have not made an adverse determination of your nonresident status, you are not considered a bona fide resident of that country.

## Part III

### Physical Presence Test

To meet this test, you must be a U.S. citizen or resident alien who is physically present in a foreign country, or countries, for at least 330 full days during any period of 12 months in a row. A full day means the 24-hour period that starts at midnight.

To figure 330 full days, add all separate periods you were present in a foreign country during the 12-month period shown on line 16. The 330 full days can be interrupted by periods when you are traveling over international waters or are otherwise not in a foreign country. See Pub. 54 for more information and examples.

**Note.** A nonresident alien who, with a U.S. citizen or U.S. resident alien spouse, chooses to be taxed as a resident of the United States can qualify under this test if the time requirements are met. See Pub. 54 for details on how to make this choice.

**Line 16.** The 12-month period on which the physical presence test is based must include 365 days, part of which must be in 2014. The dates may begin or end in a calendar year other than 2014.



*You must enter dates in both spaces provided on line 16. Do not enter "Continues" in the space for the ending date.*

## Part IV

### Foreign Earned Income

Enter in this part the total foreign earned income you earned and received (including income constructively received) during the tax year. If you are a cash basis taxpayer, include in income on Form 1040, the foreign earned income you received during the tax year regardless of when you earned it. (For example, include wages on Form 1040, line 7.)

Income is earned in the tax year you perform the services for which you receive the pay. But if you are a cash basis taxpayer and, because of your employer's payroll periods, you received your last salary payment for 2013 in 2014, that income may be treated as earned in 2014. If you cannot treat that salary payment as income earned in 2014, the rules explained under *Income earned in prior*

*year*, discussed later, apply. See Pub. 54 for more details.

Foreign earned income for this purpose means wages, salaries, professional fees, and other compensation received for personal services you performed in a foreign country during the period for which you meet the tax home test and either the bona fide residence test or the physical presence test. It also includes noncash income (such as a home or car) and allowances or reimbursements.

Foreign earned income does not include amounts that are actually a distribution of corporate earnings or profits rather than a reasonable allowance as compensation for your personal services. It also does not include the following types of income.

- Pension and annuity income (including social security benefits and railroad retirement benefits treated as social security).
- Interest, ordinary dividends, capital gains, alimony, etc.
- Portion of 2013 moving expense deduction allocable to 2014 that is included in your 2014 gross income. For details, see *Moving Expense Attributable to Foreign Earnings in 2 Years* under *Moving Expenses* in Pub. 54.
- Amounts paid to you by the U.S. Government or any of its agencies if you were an employee of the U.S. Government or any of its agencies.
- Amounts received after the end of the tax year following the tax year in which you performed the services.
- Amounts you must include in gross income because of your employer's contributions to a nonexempt employees' trust or to a nonqualified annuity contract.

**Income received in prior year.** Foreign earned income received in 2013 for services you performed in 2014 can be excluded from your 2013 gross income if, and to the extent, the income would have been excludable if you had received it in 2014. To claim the additional exclusion, you must amend your 2013 tax return. To do this, file Form 1040X.

**Income earned in prior year.** Foreign earned income received in 2014 for services you performed in 2013 can be excluded from your 2014 gross income if, and to the extent, the income would have been excludable if you had received it in 2013.

If you are excluding income under this rule, do not include this income in Part IV. Instead, attach a statement to Form 2555 showing how you figured the exclusion. Enter the amount that would have been excludable in 2013 on Form 2555 to the left of line 45. Next to the amount enter "Exclusion of Income Earned in 2013." Include it in the total reported on line 45.

**Note.** If you claimed any deduction, credit, or exclusion on your 2013 return that is definitely related to the 2013 foreign earned income you are excluding under this rule, you may have to amend your 2013 income tax return to adjust the amount you claimed. To do this, file Form 1040X.

**Line 20.** If you engaged in an unincorporated trade or business in which both personal services and capital were material income-producing factors, a reasonable amount of compensation for your personal services will be considered earned income. The amount treated as earned income, however, cannot be more than 30% of your share of the net profits from the trade or business after subtracting the deduction for the employer-equivalent portion of self-employment tax.

If capital is not an income-producing factor and personal services produced the business income, the 30% rule does not apply. Your entire gross income is earned income.

**Line 23.** List other foreign earned income not included on lines 19-22. You can write "Various" on the dotted lines to the left of the entry space if you have other foreign earned income from multiple sources.

**Line 25.** Enter the value of meals and/or lodging provided by, or on behalf of, your employer that is excludable from your income under section 119. To be excludable, the meals and lodging must have been provided for your employer's convenience and on your employer's business premises. In addition, you must have been required to accept the lodging as a condition of your employment. If you lived in a camp provided by, or on behalf of, your employer, the camp may be considered part of your employer's business premises. See *Exclusion of Meals and Lodging* in Pub. 54 for details.

## Part VI

**Line 28.** Enter the total reasonable expenses paid or incurred during the tax year by you, or on your behalf, for your foreign housing and the housing of your spouse and dependents if they lived with you. You can also include the reasonable expenses of a second foreign household (defined later). Housing expenses are considered reasonable to the extent they are not lavish or extravagant under the circumstances.

Housing expenses include rent, utilities (other than telephone charges), real and personal property insurance, nonrefundable fees paid to obtain a lease, rental of furniture and accessories, residential parking, and household repairs. You can also include the fair rental

**Limit on Housing Expenses**  
**Worksheet—Line 29b**

Keep for Your Records



This is true even if you and your spouse file separate returns.

See Pub. 54 for additional information.

**Line 29a.** Enter the city or other location (if applicable) and the country where you incurred foreign housing expenses during the tax year only if your location is listed in the table at the end of the instructions; otherwise, leave this line blank.

**Line 29b.** Your housing expenses may not exceed a certain limit. The limit on housing expenses varies depending upon the location in which you incur housing expenses. In 2014, for most locations, this limit is \$29,760 (30 percent of \$99,200) if your qualifying period includes all of 2014 (or \$81.53 per day if the number of days in your qualifying period that fall within your 2014 tax year is less than 365).

The table at the end of the instructions lists the housing expense limits based on geographic differences in foreign housing costs relative to housing costs in the United States. If the location in which you incurred housing expenses is listed in the table, or the number of days in your qualifying period that fall within the 2014 tax year is less than 365, use the *Limit on Housing Expenses Worksheet* to figure the amount to enter on line 29b. If the location in which you incurred housing expenses is not listed in the table, and the number of days in your qualifying period is 365, enter \$29,760 on line 29b.

**Example.** For 2014, because your location is not listed in the table at the end of the instructions, your limit on housing expenses is \$81.53 per day (\$29,760 divided by 365). If you file a calendar year return and your qualifying period is January 1, 2014, to October 2, 2014 (275 days), you would enter \$22,421 on line 29b (\$81.53 multiplied by 275 days).

**Election to apply higher limit on housing expenses.** For 2013 you could elect to apply the 2014 limits on housing expenses as discussed in section 4 of Notice 2014-29 available at [www.irs.gov/irb/2014-18\\_IRB/ar07.html](http://www.irs.gov/irb/2014-18_IRB/ar07.html).

The IRS and Treasury Department anticipate that you will also be allowed to make an election to apply the 2015 limits to figure your 2014 limit on housing expenses. The authorization to make the election will be provided in a future annual notice published in the Internal Revenue Bulletin.

**More than one foreign location.** If you moved during the 2014 tax year and incurred housing expenses in more than one foreign location as a result, complete the *Limit on Housing Expenses Worksheet* for each location in which you incurred housing expenses, entering the number of qualifying days during which you lived in the applicable location on line 1. Add the

**Note.** If the location in which you incurred housing expenses is not listed in the table at the end of the instructions, and the number of days in your qualifying period that fall within the 2014 tax year is 365, DO NOT complete this worksheet. Instead, enter \$29,760 on line 29b.

1. Enter the number of days in your qualifying period that fall within the 2014 tax year (see the instructions for line 31) . . . . . 1. \_\_\_\_\_
2. Did you enter 365 on line 1?
  - No.** If the amount on line 1 is less than 365, skip line 2 and go to line 3.
  - Yes.** Locate the amount under the column *Limit on Housing Expenses (full year)* from the table at the end of the instructions for the location in which you incurred housing expenses. This is your **limit on housing expenses**. Enter the amount here and on line 29b. Also, see *Election to apply higher limit on housing expenses*, later.
- Do not complete the rest of this worksheet . . . . . 2. \_\_\_\_\_
3. Enter the amount under the column *Limit on Housing Expenses (daily)* from the table at the end of the instructions for the location in which you incurred housing expenses. If the location is not listed in the table, enter \$81.53. Also, see *Election to apply higher limit on housing expenses*, later. . . . . 3. \_\_\_\_\_
4. Multiply line 1 by line 3. This is your **limit on housing expenses**. Enter the result here and on line 29b . . . . . 4. \_\_\_\_\_

value of housing provided by, or on behalf of, your employer if you have not excluded it on line 25.

Do not include deductible interest and taxes, any amount deductible by a tenant-stockholder in connection with cooperative housing, the cost of buying or improving a house, principal payments on a mortgage, or depreciation on the house. Also, do not include the cost of domestic labor, pay television, or the cost of buying furniture or accessories.

Include expenses for housing only during periods for which:

- The value of your housing is not excluded from gross income under section 119 (unless you maintained a second foreign household as defined later), and
- You meet the tax home test and either the bona fide residence or physical presence test.

**Second foreign household.** If you maintained a separate foreign household for your spouse and dependents at a place other than your tax home because the living conditions at your tax home were dangerous, unhealthful, or otherwise adverse, you can include the expenses of the second household on line 28.

**Married couples.** The following rules apply if both you and your spouse qualify for the tax benefits of Form 2555.

**Same foreign household.** If you and your spouse lived in the same foreign household and file a joint return, you must figure your housing amounts (line 33) jointly. If you file separate returns, only one spouse can claim the housing exclusion or deduction.

In figuring your housing amount jointly, either spouse (but not both) can claim the housing exclusion or housing deduction. However, if you and your spouse have different periods of residence or presence, and the one with the shorter period of residence or presence claims the exclusion or deduction, you can claim as housing expenses only the expenses for that shorter period. The spouse claiming the exclusion or deduction can aggregate the housing expenses of both spouses, subject to the limit on housing expenses (line 29b), and subtract his or her base housing amount.

**Separate foreign households.** If you and your spouse lived in separate foreign households, you each can claim qualified expenses for your own household only if:

- Your tax homes were not within a reasonable commuting distance of each other, and
- Each spouse's household was not within a reasonable commuting distance of the other spouse's tax home.

Otherwise, only one spouse can claim his or her housing exclusion or deduction.

**Housing Deduction Carryover Worksheet—Line 49**

Keep for Your Records



1. Enter the amount from your 2013 Form 2555, line 46 .....	1. _____
2. Enter the amount from your 2013 Form 2555, line 48 .....	2. _____
3. Subtract line 2 from line 1. If the result is zero, <b>stop</b> ; enter -0- on line 49 of your 2014 Form 2555. You do not have any housing deduction carryover from 2013 .....	3. _____
4. Enter the amount from your 2014 Form 2555, line 47 .....	4. _____
5. Enter the amount from your 2014 Form 2555, line 48 .....	5. _____
6. Subtract line 5 from line 4 .....	6. _____
7. Enter the <b>smaller</b> of line 3 or line 6 here and on line 49 of your 2014 Form 2555. If line 3 is <b>more than</b> line 6, you <b>cannot</b> carry the difference over to any future tax year .....	7. _____

results shown on line 4 of each worksheet, and enter the total on line 29b.



*If you moved during the 2014 tax year and are completing more than one Limit on Housing Expenses Worksheet, the total number of days entered on line 1 of your worksheets may not exceed the total number of days in your qualifying period that fall within the 2014 tax year (that is, the number of days entered on Form 2555, line 31).*

**Line 31.** Enter the number of days in your qualifying period that fall within your 2014 tax year. Your qualifying period is the period during which you meet the tax home test and either the bona fide residence or the physical presence test.

**Example.** You establish a tax home and bona fide residence in a foreign country on August 14, 2014. You maintain the tax home and residence until January 31, 2016. You are a calendar year taxpayer. The number of days in your qualifying period that fall within your 2014 tax year is 140 (August 14 through December 31, 2014).

**Nontaxable U.S. Government allowances.** If you or your spouse received a nontaxable housing allowance as a military or civilian employee of the U.S. Government, see Pub. 54 for information on how that allowance may affect your housing exclusion or deduction.

**Line 34.** Enter any amount your employer paid or incurred on your behalf that is

foreign earned income included in your gross income for the tax year (without regard to section 911).

Examples of employer-provided amounts are:

- Wages and salaries received from your employer.
- The fair market value of compensation provided in kind (such as the fair rental value of lodging provided by your employer as long as it is not excluded on line 25).
- Rent paid by your employer directly to your landlord.
- Amounts paid by your employer to reimburse you for housing expenses, educational expenses of your dependents, or as part of a tax equalization plan.

**Self-employed individuals.** If all of your foreign earned income (Part IV) is self-employment income, skip lines 34 and 35 and enter -0- on line 36. If you qualify for the housing deduction, be sure to complete Part IX.

**Part VII**

**Married couples.** If both you and your spouse qualify for, and choose to claim, the foreign earned income exclusion, figure the amount of the exclusion separately for each of you. You each must complete Part VII of your separate Forms 2555.

**Community income.** The amount of the exclusion is not affected by the income-splitting provisions of community property laws. The sum of the amounts figured separately for each of you is the total amount excluded on a joint return.

**Part VIII**

If you claim either of the exclusions, you cannot claim any deduction (including moving expenses), credit, or exclusion that is definitely related to the excluded income. If only part of your foreign earned income is excluded, you must prorate such items based on the ratio that your excludable earned income bears to your total foreign earned income. See Pub. 54 for details on how to figure the amount allocable to the excluded income.

The exclusion under section 119 and the housing deduction are not considered definitely related to the excluded income.

**Line 44.** Report in full on Form 1040 and related forms and schedules all deductions allowed in figuring your adjusted gross income (Form 1040, line 37). Enter on line 44 the total amount of those deductions (such as the deduction for moving expenses, the deductible part of self-employment tax, and the expenses claimed on Schedule C or C-EZ (Form 1040)) that are not allowed because they are allocable to the excluded income. This applies only to deductions definitely related to the excluded earned income. See Pub. 54 for details on how to report your itemized deductions (such as unreimbursed employee business expenses) that are allocable to the excluded income.

**Part IX**

If line 33 is more than line 36 and line 27 is more than line 43, complete this part to figure your housing deduction.

**Line 49.** Use the housing deduction carryover worksheet on this page to figure your carryover from 2013.

**One-year carryover.** If the amount on line 46 is more than the amount on line 47, you can carry the difference over to your 2015 tax year. If you cannot deduct the excess in 2015 because of the 2015 limit, you cannot carry it over to any future tax year.

2014 LIMITS ON HOUSING EXPENSES			
Country	City or Other Location	Limit on Housing Expenses (daily)	Limit on Housing Expenses (full year)
Angola	Luanda	230.14	84,000
Argentina	Buenos Aires	154.79	56,500
Australia	Adelaide	81.92	29,900
	Darwin, Northern Country	83.84	30,600
	Melbourne	103.56	37,800
	Perth	110.68	40,400
	Sydney	89.81	32,782
Austria	Vienna	96.99	35,400
Bahamas, The	Grand Bahama Island	84.66	30,900
	Nassau	136.16	49,700
Bahrain		120.55	44,000
Barbados		103.29	37,700
Belgium	Antwerp	100.27	36,600
	Brussels	134.25	49,000
	Gosselies	120.00	43,800
	Hoogbuul	100.27	36,600
	Mons	120.00	43,800
	SHAPE/Chievres	120.00	43,800
Bermuda		246.58	90,000
Bosnia-Herzegovina	Sarajevo	85.75	31,300
Brazil	Brasilia	112.60	41,100
	Rio de Janeiro	96.16	35,100
	Sao Paulo	155.07	56,600
Canada	Calgary	121.10	44,200
	Dartmouth	100.55	36,700
	Edmonton	96.16	35,100
	Halifax	100.55	36,700
	London, Ontario	82.19	30,000
	Montreal	154.79	56,500
	Ottawa	138.63	50,600
	Quebec	117.53	42,900
	Toronto	143.56	52,400
	Vancouver	127.40	46,500
	Victoria	90.96	33,200
	Winnipeg	86.85	31,700
Cayman Islands	Grand Cayman	131.51	48,000
Chile	Santiago	138.08	50,400
China	Beijing	195.07	71,200
	Hong Kong	313.15	114,300
	Shanghai	156.17	57,001
Colombia	Bogota	160.82	58,700
	All cities other than Bogota	135.34	49,400
Costa Rica	San Jose	87.67	32,000
Denmark	Copenhagen	119.74	43,704
Dominican Republic	Santo Domingo	124.66	45,500
Ecuador	Guayaquil	84.38	30,800
	Quito	102.74	37,500
Estonia	Tallinn	127.67	46,600
France	Garches	235.62	86,000
	Le Havre	95.07	34,700
	Lyon	130.68	47,700
	Marseille	127.12	46,400
	Montpellier	105.21	38,400
	Paris	235.62	86,000

**2014 LIMITS ON HOUSING EXPENSES**

<b>Country</b>	<b>City or Other Location</b>	<b>Limit on Housing Expenses (daily)</b>	<b>Limit on Housing Expenses (full year)</b>
France (continued)	Sevres	235.62	86,000
	Suresnes	235.62	86,000
	Versailles	235.62	86,000
Germany	Babenhausen	115.62	42,200
	Bad Aibling	98.63	36,000
	Bad Nauheim	92.33	33,700
	Baumholder	111.78	40,800
	Berlin	141.10	51,500
	Birkenfeld	111.78	40,800
	Boeblingen	140.27	51,200
	Bonn	115.07	42,000
	Butzbach	90.41	33,000
	Cologne	153.97	56,200
	Darmstadt	115.62	42,200
	Frankfurt am Main	120.55	44,000
	Friedberg	92.33	33,700
	Garmisch-Partenkirchen	106.85	39,000
	Gelnhausen	145.48	53,100
	Germersheim	87.40	31,900
	Giebelstadt	99.73	36,400
	Giessen	98.63	36,000
	Grafenwoehr	115.07	42,000
	Hanau	145.48	53,100
	Hannover	86.30	31,500
	Heidelberg	107.95	39,400
	Idar-Oberstein	111.78	40,800
	Ingolstadt	162.74	59,400
	Kaiserslautern, Landkreis	139.45	50,900
	Kitzingen	99.73	36,400
	Leimen	107.95	39,400
	Ludwigsburg	140.27	51,200
	Mainz	156.16	57,000
	Mannheim	107.95	39,400
	Munich	162.74	59,400
	Nellingen	140.27	51,200
	Neubruেকে	111.78	40,800
	Ober Ramstadt	115.62	42,200
	Oberamergau	106.85	39,000
	Pfullendorf	113.42	41,400
	Pirmasens	139.45	50,900
	Rheinau	107.95	39,400
	Schwetzingen	107.95	39,400
	Seckenheim	107.95	39,400
	Sembach	139.45	50,900
Stuttgart	140.27	51,200	
Vilseck	115.07	42,000	
Wahn	115.07	42,000	
Wertheim	99.73	36,400	
Wiesbaden	156.16	57,000	
Wuerzburg	99.73	36,400	
Zweibruecken	139.45	50,900	

**2014 LIMITS ON HOUSING EXPENSES**

<b>Country</b>	<b>City or Other Location</b>	<b>Limit on Housing Expenses (daily)</b>	<b>Limit on Housing Expenses (full year)</b>
Germany (continued)	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, Mayen, Moenchen-Gladbach, Muenster, Munich, Nellingen, Neubruecke, Noervenich, Nuernberg, Ober Ramstadt, Oberammergau, Osterholz-Scharmbeck, Pirmasens, Rheinau, Rheinberg, Schwabach, Schwetzingen, Seckenheim, Sembach, Stuttgart, Twisteden, Vilsack, Wahn, Wertheim, Wiesbaden, Worms, Wuerzburg, Zirndorf, and Zweibruecken	113.42	41,400
Ghana	Accra	98.63	36,000
Greece	Argyroupolis	90.14	32,900
	Athens	115.62	42,200
	Elefsis	115.62	42,200
	Ellinikon	115.62	42,200
	Mt. Hortiatis	90.14	32,900
	Mt. Parnis	115.62	42,200
	Mt. Pateras	115.62	42,200
	Nea Makri	115.62	42,200
	Perivolaki	90.14	32,900
	Piraeus	115.62	42,200
	Tanagra	115.62	42,200
Thessaloniki	90.14	32,900	
Guatemala	Guatemala City	114.52	41,800
Guyana	Georgetown	95.89	35,000
Holy See, The		156.99	57,300
Hungary	Budapest	89.04	32,500
	Papa	121.92	44,500
India	Mumbai	186.08	67,920
	New Delhi	153.76	56,124
Indonesia	Jakarta	103.50	37,776
Ireland	Dublin	136.44	49,800
	Shannon Area	107.67	39,300
Israel	Tel Aviv	139.18	50,800
Italy	Catania	91.78	33,500
	Genoa	114.52	41,800
	Gioia Tauro	85.48	31,200
	La Spezia	110.68	40,400
	Leghorn	98.36	35,900
	Milan	234.52	85,600
	Naples	149.04	54,400
	Parma	119.18	43,500
	Pisa	98.36	35,900
	Pordenone-Aviano	119.18	43,500
	Rome	156.99	57,300
Signonella	91.78	33,500	
Turin	117.26	42,800	



2014 LIMITS ON HOUSING EXPENSES			
Country	City or Other Location	Limit on Housing Expenses (daily)	Limit on Housing Expenses (full year)
Italy (continued)	Vicenza	123.56	45,100
	All cities other than Avellino, Brindisi, Catania, Florence, Gaeta, Genoa, Gioia Tauro, La Spezia, Leghorn, Milan, Mount Vergine, Naples, Nettuno, Parma, Pisa, Pordenone-Aviano, Rome, Sardinia, Sigonella, Turin, Verona, and Vicenza	95.89	35,000
Jamaica	Kingston	112.88	41,200
Japan	Akashi	87.67	32,000
	Atsugi	112.05	40,900
	Camp Zama	112.05	40,900
	Chiba-Ken	112.05	40,900
	Fussa	112.05	40,900
	Gifu	203.56	74,300
	Gotemba	83.84	30,600
	Haneda	112.05	40,900
	Iwakuni	90.41	33,000
	Kanagawa-Ken	112.05	40,900
	Komaki	203.56	74,300
	Machida-Shi	112.05	40,900
	Misawa	95.34	34,800
	Nagoya	203.56	74,300
	Okinawa Prefecture	162.74	59,400
	Osaka-Kobe	248.39	90,664
	Sagamihara	112.05	40,900
	Saitama-Ken	112.05	40,900
	Sasebo	96.99	35,400
	Tachikawa	112.05	40,900
	Tokyo	263.01	96,000
Tokyo-to	112.05	40,900	
Yokohama	144.11	52,600	
Yokosuka	130.68	47,700	
Yokota	112.05	40,900	
Kazakhstan	Almaty	131.51	48,000
Korea	Ammo Depot #9	82.47	30,100
	Camp Carroll	89.32	32,600
	Camp Colbern	156.44	57,100
	Camp Market	156.44	57,100
	Camp Mercer	156.44	57,100
	Chinhae	84.66	30,900
	K-16	156.44	57,100
	Kimhae	85.21	31,100
	Kimpo Airfield	156.44	57,100
	Munsan	95.89	35,000
	Osan AB	98.63	36,000
	Pusan	85.21	31,100
	Pyongtaek	97.81	35,700
	Seoul	156.44	57,100
	Suwon	156.44	57,100
	Taegu	93.97	34,300
	Tongduchon	87.40	31,900
	Uijongbu	92.60	33,800
	Waegwan	89.32	32,600

2014 LIMITS ON HOUSING EXPENSES			
Country	City or Other Location	Limit on Housing Expenses (daily)	Limit on Housing Expenses (full year)
Korea (continued)	All cities other than Ammo Depot #9, Camp Carroll, Camp Colbern, Camp Market, Camp Mercer, Changwon, Chinhae, Chunchon, K-16, Kimhae, Kimpo Airfield, Kunsun, Kwangju, Munsan, Osan AB, Pusan, Pyongtaek, Seoul, Suwon, Taegu, Tongduchon, Uijongbu, and Waegwan	90.41	33,000
Kuwait	Kuwait City	176.44	64,400
	All cities other than Kuwait City	158.08	57,700
Luxembourg	Luxembourg	128.77	47,000
Macedonia	Skopje	96.99	35,400
Malaysia	Kuala Lumpur	126.58	46,200
	All cities other than Kuala Lumpur	92.33	33,700
Malta		150.96	55,100
Mexico	Mazatlan	84.93	31,000
	Merida	103.84	37,900
	Mexico City	131.23	47,900
	Monterrey	90.96	33,200
	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	107.95	39,400
Mozambique	Maputo	108.22	39,500
Namibia	Windhoek	87.95	32,100
Netherlands	Amsterdam	144.93	52,900
	Aruba	98.63	36,000
	Brunssum	112.33	41,000
	Eygelshoven	112.33	41,000
	Hague, The	187.12	68,300
	Heerlen	112.33	41,000
	Hoensbroek	112.33	41,000
	Hulsberg	112.33	41,000
	Kerkrade	112.33	41,000
	Landgraaf	112.33	41,000
	Maastricht	112.33	41,000
	Papendrecht	112.60	41,100
	Rotterdam	112.60	41,100
	Schaesburg	112.33	41,000
	Schinnen	112.33	41,000
	Schiphol	144.93	52,900
	Ypenburg	187.12	68,300
	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	111.23	40,600
Netherlands Antilles	Curacao	125.48	45,800
New Zealand	Auckland	97.81	35,700
	Christchurch	87.95	32,100
	Wellington	92.60	33,800
Nicaragua	Managua	87.12	31,800
Nigeria	Abuja	98.63	36,000
Norway	Oslo	134.25	49,000
	Stavanger	113.97	41,600
	All cities other than Oslo and Stavanger	103.29	37,700
Panama	Panama City	97.26	35,500
Paraguay	Asuncion	85.21	31,100

**2014 LIMITS ON HOUSING EXPENSES**

<b>Country</b>	<b>City or Other Location</b>	<b>Limit on Housing Expenses (daily)</b>	<b>Limit on Housing Expenses (full year)</b>
Peru	Lima	107.12	39,100
Philippines	Cavite	106.85	39,000
	Manila	106.85	39,000
Poland		80.55	29,400
Portugal	Alverca	143.56	52,400
	Lisbon	143.56	52,400
Qatar	Doha	99.35	36,264
	All cities other than Doha	88.77	32,400
Russia	Moscow	295.89	108,000
	Saint Petersburg	164.38	60,000
	Sakhalin Island	212.33	77,500
	Vladivostok	212.33	77,500
	Yekaterinburg	129.86	47,400
Rwanda	Kigali	86.30	31,500
Saudi Arabia	Jeddah	84.02	30,667
	Riyadh	109.59	40,000
Singapore		236.44	86,300
South Africa	Pretoria	107.67	39,300
Spain	Barcelona	111.23	40,600
	Madrid	191.23	69,800
	Rota	116.71	42,600
	Valencia	109.86	40,100
	All cities other than Barcelona, Madrid, Rota, Seville, Seville Province, and Valencia	83.01	30,300
Suriname	Paramaribo	90.41	33,000
Switzerland	Bern	197.81	72,200
	Geneva	275.34	100,500
	Zurich	107.45	39,219
	All cities other than Bern, Geneva, and Zurich	90.14	32,900
Taiwan	Taipei	126.54	46,188
Tanzania	Dar Es Salaam	120.55	44,000
Thailand	Bangkok	161.64	59,000
Trinidad and Tobago	Port of Spain	149.32	54,500
Turkey	Izmir-Cigli	86.58	31,600
	Yamanlar	86.58	31,600
Ukraine	Kiev	197.26	72,000
United Arab Emirates	Abu Dhabi	136.13	49,687
	Dubai	156.64	57,174
United Kingdom	Basingstoke	112.60	41,099
	Bath	112.33	41,000
	Bracknell	170.14	62,100
	Bristol	110.96	40,500
	Brookwood	121.10	44,200
	Cambridge	120.82	44,100
	Caversham	202.19	73,800
	Cheltenham	146.85	53,600
	Croughton	123.29	45,000
	Fairford	119.73	43,700
	Farnborough	149.86	54,700
	Felixstowe	116.44	42,500
	Gibraltar	122.24	44,616
	Harrogate	129.86	47,400
	High Wycombe	170.14	62,100
	Kemble	119.73	43,700
	Lakenheath	153.15	55,900

**2014 LIMITS ON HOUSING EXPENSES**

<b>Country</b>	<b>City or Other Location</b>	<b>Limit on Housing Expenses (daily)</b>	<b>Limit on Housing Expenses (full year)</b>
United Kingdom (continued)	Liverpool	109.04	39,800
	London	243.01	88,700
	Loudwater	191.51	69,900
	Menwith Hill	129.86	47,400
	Mildenhall	153.15	55,900
	Oxfordshire	121.92	44,500
	Plymouth	121.92	44,500
	Portsmouth	121.92	44,500
	Reading	170.14	62,100
	Rochester	125.21	45,700
	Samlesbury	121.10	44,200
	Southampton	121.10	44,200
	Surrey	132.61	48,402
	Waterbeach	124.66	45,500
	Wiltshire	115.89	42,300
	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, Hythe, Kemble, Lakenheath, Liverpool, London, Loudwater, Menwith Hill, Mildenhall, Nottingham, Oxfordshire, Plymouth, Portsmouth, Reading, Rochester, Samlesbury, Southampton, Surrey, Waterbeach, Welford, West Byfleet, and Wiltshire	121.10	44,200
Venezuela	Caracas	156.16	57,000
Vietnam	Hanoi	128.22	46,800
	Ho Chi Minh City	115.07	42,000