



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

OFFICE OF THE CHIEF COUNSEL

June 11, 2024

Number: **2024-0009**  
Release Date: 6/28/2024

CC:EEE:EOET:ET2  
CONEX-109211-24

UIL: 132.00-00

Attention:

Dear Representative Foushee:

I'm responding to your May 9, 2024, inquiry on behalf of your constituent, . He asked us to reconsider a decision to treat as taxable income certain items of clothing, including socks, that a federal agency provided to its employees.

We are not aware of a decision we issued that includes any particular clothing items in taxable wages if provided by a federal agency to its agents, either directly or indirectly through an allowance. Furthermore, we are not aware of us being involved in any decision by a federal agency regarding which items it includes in its uniform program. Because of this, we cannot address specific concern. However, we can share the following general tax information, which may be relevant to the situation he described.

Section 61 of the Internal Revenue Code (Code) provides that gross income means all income from whatever source derived, including, compensation for services including fringe benefits. A fringe benefit is a form of pay (including property, services, cash, or cash equivalent) in addition to stated pay for services performed. Fringe benefits provided to an employee are taxable unless an exclusion under the Code applies.

In any specific situation, a determination concerning whether or not any fringe benefit, such as work clothes and uniforms provided by an employer, is excludible from income under the Code as, for example, a working condition fringe or de minimis fringe under section 132, will necessarily involve a detailed analysis of the applicable facts and circumstances.

For example, the cost of work uniforms can be excludible from an employee's gross income under section 132(a)(3) as a working condition fringe benefit if the cost of such clothing would otherwise be deductible by the employee under section 162 as a trade or business expense and it relates to the employee's trade or business as an employee of the employer providing such uniform. In general, such uniforms will not be deductible by an employee under section 162 unless such uniforms are specifically required to be worn as a condition of employment and such uniforms are not suitable for everyday wear.

I hope this information is helpful. If you have any questions, please contact me or  
 , general attorney, of my staff at .

Sincerely,

---

Jason Healey, Branch Chief, Employment Taxes  
Office of Associate Chief Counsel  
(Employee Benefits, Exempt Organizations, and  
Employment Taxes)