

UNBELIEVABLE DEDUCTIONS

THOSE ALLOWED AND DISALLOWED BY THE IRS

(All Will Surprise You!)

Some taxpayers actually believe it's okay to cheat just a little on your taxes ...after all, everyone does, right? Wrong! The IRS has strict guidelines around what is and what is not an allowable deduction. So, though many taxpayers have tried, many have also failed.

NICE TRY, BUT IT'S NOT DEDUCTIBLE!

Air-conditioned hotel room:

A one-night stay was not allowed as a medical expense for an asthmatic taxpayer with a broken air-conditioner.

IRS Letter Ruling 8317035

Bath oil:

Nice for your skin, but not deductible as a medical expense.

Jefferson, Earl v. U.S., (1973, DC GA) 32 AFTR 2d 73-6053

Broken china & glassware:

Broken by the family pet – too bad, but not allowed as a casualty loss.

Diggs, Robert, (1959) TC Memo 1959-99

Carpet removal:

Not deductible as medical expense for an allergic taxpayer. (Nor was the cost of installing hardwood floors.)

Mitic, Ilija, (2000) TC Memo 2000-144

Dancing lessons:

Not deductible as medical expense to improve varicose vein problem.

Adler, Irving v. Com., (1964, CA9) 13 AFTR 2d 1175.

Not deductible as medical expense to ease arthritis and nervous condition.

France, Rose, (1980) TC Memo 1980-215

Dentures:

Not allowed as a business deduction for an actor (to enable him to enunciate without a hiss).

Sparkman, Edward v. Com., (1940, CA9) 25 AFTR 285

Diaper service:

Very convenient but not allowed as medical deduction. Rev Rul 55-261

Dog boarding costs:

Denied as a business (travel) expense while taxpayer was away from home.

Baratelle, Kenneth Andrew, (2000) TC Memo 2000-359

Dry-cleaning bills:

Not allowed as a business expense (cost of maintaining clothing).

Barnes, Thomas, (1992) TC Memo 1992-720

English setter:

The poor dog ran away. Casualty loss deduction disallowed.

Smith, Waddell, (1948) 10 TC 701

// Taxpayers have a time-honored tradition of trying to pay the IRS as little as possible. As a result, some taxpayers have gotten very creative with deductions. It's not surprising that many of these deduction attempts fail. But some succeed – believe it or not! //

— Jackie Perlman, CPA, Senior Tax Research Analyst

Fallout shelter:

Not deductible as “preventive medicine”.

Daniels, Fred, (1963) 41 TC 324

Military school:

Not deductible as medical expense for taxpayer who sent his unruly son there. Atkinson, H., (1965) 44 TC 39

Mink coat:

Not allowed as a business deduction for taxpayer’s wife to wear to business functions.

Jackson, Paul, (1954) TC Memo 1954-235

Nutrition and health care books:

Good reading for some - not deductible as medical expense.

Garrison, Frances v. Com., (1994) TC Memo 1994-200

Salad:

Lettuce & tomatoes not deductible as medical expense for a diabetic on a restricted diet. The same person also tried to deduct artificial sweeteners and reduced-salt foods.

Harris, J. Willard, (1966) 46 TC 672

Samoan prayers:

Perhaps it helped, but medical treatment consisting of prayers and massages with plant leaves not deductible.

Seymour, John, (1950) 14 TC 1111

Tattoos:

Not allowed as medical deduction (even when done by professional “artists”).

Rev Rul 82-111

**DON'T BE AFRAID TO ASK ...
THESE UNUSUAL (AND CREATIVE)
DEDUCTIONS WERE ALLOWED !****Boarding school in Arizona:**

Travel, room & board were allowed as medical expenses for sending a young child with respiratory problems to a boarding school in Arizona.

Stringham, L. Keever, (1949) 12 TC 580

Breast implants:

Allowed as a business expense for an exotic dancer – Size 56FF.

(Unpublished case)

Cat food:

Allowed as a business expense to attract wild cats to deter snakes from a scrap yard.

Samuel T. Seawright, Et Ux.,
(2001) 117 TC No. 24

Clarinet lessons:

Deduction allowed (for the clarinet too) to help correct a child’s overbite.

Rev Rul 62-210

Moving your pets:

Moving expense deduction allowed for the cost of moving Fido to his new home.

Rev Rul 66-305

Organic foods:

The difference between the cost of chemically uncontaminated food and regular chemically-treated food was allowed as a medical deduction.

Randolph, Theron, (1976) 67 TC 481

Worms:

You can depreciate worms (if you’re breeding the earth-moving kind)