

A photograph of the Aurora Borealis (Northern Lights) in shades of green and blue, appearing as a vibrant, ethereal glow in a dark night sky. In the bottom foreground, the corner of a modern building with a flat roof and some lit windows is visible, providing a sense of scale and location. The text is overlaid on a semi-transparent grey rectangle in the upper left portion of the image.

How to Write Off

TRAVEL

On Your Taxes

Summer Vacation has come and gone. You are looking forward to Christmas break right? There is just one little problem...you went over budget on your summer break with the family and that makes Christmas problematic. Is there anything you can do to recoup those costs? The Short Answers **YES!**

What if you could **LEGALLY** and **ETHICALLY** write off your travel/vacation expenses?

Business Owners, Entrepreneurs, Gig Workers, Side Hustle, or 1099's If you're self-employed—for example, if you're an entrepreneur, freelancer, or consultant, or have an online business—and did some work while on the road, there's a good chance you can. There are a couple of tests that the IRS gives for Business Owners and Entrepreneurs.



Pass these four tests

Right up front your trip must have a business purpose, meaning it must include activities such as business meetings, being a speaker at a conference, attending a conference or training, doing research and development for the business, or holding a board meeting or annual shareholders' meeting.

Ultimately any of those things should have the potential of making money. The second and third tests are pretty straight forward. The trip must be both "ordinary and necessary," according to IRS guidelines on business travel expenses. "An ordinary expense means it's typical in your business, both [in terms of] amount [as well as in] frequency and purpose. Necessary means it actually helps you increase your profits or expand your business."

Finally, the fourth test is that every expense must be documented. There is a small caveat with this one. To get a deduction for travel, you must spend more than half your time during the business day doing business and have everything documented. In other words if you spend four and a half hours a day doing business, it becomes deductible. You also must have documentation, which includes receipts, of what you did, and a log of your expenses. I know of a great app that can track all of this and make documenting all of this very easy for you.

Additionally, it is important to note that you must be away from home overnight.

The IRS requires an overnight stay for the trip to qualify as business travel and there's a huge difference between how you calculate deductions if the work trip was taken in the United States versus abroad.

If your trip is Domestic it's all-or-nothing. Either you spent more than 50 percent of your time on business, and it's all deductible, or you spent 50 percent or less and none of it's deductible.

However, for international business travel, the deductions work differently. He explained that when you travel to another country, the deduction is proportionate. Just as an example, if you spent 30% percent of your time doing business in Japan, then 30% is deductible.



Be SMART

The most simple way to help make sure your trip is a write off is put your “vacation” days in the middle of the business days. As an example, if you are the business owner and you took a five-day trip to Hawaii and spent three days meeting with potential clients and two days relaxing on the beach, this would still qualify as a deductible business trip. The strategy is that you stick the vacation days in the middle of the business days.

It's simple, by placing the vacation days in the middle, the travel days to and from are still considered business related, rather than personal.



Medical and Religious Missions Trips

I believe in serving and helping those who need our help. I believe that regardless of your tax bracket you should take medical and/or religious mission trips. When it comes to travel and taxes I have some great news for you and...

IT SHOULD INCENTIVIZE YOU TO HELP.

According to IRS Publication 526, "Generally, you can claim a charitable contribution deduction for travel expenses necessarily incurred while you are away from home performing services for a charitable organization (Medical or religious) only if there is no significant element of personal pleasure, recreation, or vacation in the travel."



Travel Side Hustles, Travel Agents, or other independent efforts specifically in travel.

Let's cut to the chase. The simplest and most direct way to write off your travel is to begin working in the Travel Industry even if it is as a side hustle only. A significant benefit of being in the travel industry rests in the reality that you can

deduct travel as a business expense. You can deduct most aspects of your travel-transportation, lodging, car rental and even the costs associated with visiting attractions during your trip. The only real stipulation is that the primary purpose of the trip must be related to your profession in travel.

That includes research and investigation of destinations that your current or future clients might desire to access, training, familiarization trips, conferences, or meeting clients.



If you are interested in learning how you can be deducting your travel head click the link below and set up a time to talk with me.

[Contact Me](#)

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