

How To Deduct Moving From Your Taxes

Atlas gives you some tax information and tips related to moving.



Before you move to a new home, you should know the major tax deductions and limitations related to moving. First, take the Time and Distance Test (see Federal Tax Form 3903). If your move meets the necessary requirements, reasonable moving expenses are fully deductible.

Deductible Moving Expenses [\(top\)](#)

The non-reimbursed cost of moving household goods and personal effects to a new residence is permitted as a deduction in determining federal adjusted gross income. This includes the actual cost of transportation or hauling from your old residence to your new one; the cost of packing, crating and unpacking; and storage in transit (limited to 30 consecutive days) and valuation (limited to 30 consecutive days).

Deductible expenses include:

- The cost of shipping your automobile(s) and boat(s).
- The cost of transporting your household pets — dogs, cats, tropical fish, etc.
- The cost associated with connecting and disconnecting utilities because you are moving.
- The cost of moving your personal belongings from a place other than your old residence (such as a

summer home or relative's home) may be deducted, to the extent that it does not exceed what it would have cost to move them from your old residence.

- The family trip to the new residence is considered a direct moving expense and is deductible. This includes lodging, but not meals.

Who Qualifies [\(top\)](#)

All taxpayers may deduct moving expenses, even if they don't file an itemized return, as long as they meet the qualifications listed below:

- You must be moving to a new principal residence to work as an employee or as a self-employed individual at a new principal place of work.
- Your new job location must be at least 50 miles farther from your former residence than your old job location.
- You must be employed full-time (by an employer) in the general vicinity of the new job location for 39 weeks during the 12-month period following the move. This condition is waived if you are not able to satisfy it because of death, disability, or discharge (other than for willful misconduct), and it is reasonable to expect that you would have otherwise fulfilled the condition.

The self-employed individual must continue to work in the new location (as a self-employed person or as an employee) for at least 78 weeks during the 24 months following the move, of which at least 39 weeks must be in the first 12 months.

- If you pay the expenses in one tax year, but do not satisfy the working requirements by the due date of the tax return, you may still deduct the expenses if you reasonably expect to satisfy the condition in the succeeding tax year. However, if you fail to satisfy the requirements in the succeeding year you must either: (A) report an equal amount of income in the succeeding year, or (B) amend the prior year's return.
- Foreign moves and moves by military personnel are subject to some exceptions. In these situations, you should seek the advice of a professional tax advisor.
- You may not deduct expenses in excess of a reasonable amount. Report non-reimbursed moving expenses on Federal Tax Form 3903.

Resources [\(top\)](#)

- IRS Problem Solving Line 1-800-829-1040
- IRS Publication 521 Moving Expenses Web site: www.irs.gov
- Library — Select libraries carry audio cassette tapes and video tapes with simple instructions to help you complete your Federal Income Tax Forms.

To request instructions, forms and publications for current and prior years, call 1-800-829-3676.

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