

2009

Dear Legislator:

The Officers and Board of Governors of the Connecticut Society of Certified Public Accountants are pleased to provide you with this 30th annual edition of the ***Connecticut Legislator's Federal Income Tax Guide***. Our first booklet was published in December 1979; we are proud to now place this "living document" on our website where it can be updated immediately upon changes to the code.

This year, our organization is celebrating a century of service to Connecticut businesses and individuals. Founded in New Haven by nine CPAs, the Society now has approximately 6,000 members and affiliates performing service in public accounting and in industry, government, and education in Connecticut. Our membership comprises men and women who live and work in the state in a variety of capacities, all dedicated to quality professional activity.

The mission of the Connecticut Society of CPAs is to be the professional association in Connecticut that promotes and supports CPAs through Advocacy, Community, and Education.

We trust that this public service guide will be helpful to you in your unique tax situation as a member of the Connecticut General Assembly.

The Members of the
Connecticut Society of Certified Public Accountants

**Connecticut Society
of
Certified Public Accountants**

Introduction

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The Connecticut Society of Certified Public Accountants is pleased to present this ***Connecticut Legislator's Federal Income Tax Guide*** prepared specifically for members of the Connecticut General Assembly.

This guide deals only with federal income tax laws as they relate to your position as an **elected** official. It is not intended to cover all tax matters related to an individual's tax return. Items of a personal nature such as medical expenses, interest, tax expenses, and charitable contributions are not covered. Campaign financing is a complicated area governed by state statute as well as IRS regulations and is not covered by this guide. It is essential, however, that the expenses of running for office be kept separate from those expenses incurred when in office.

Emphasized throughout is the importance of recordkeeping. The burden of proving the appropriateness and extent of deductibility is on the taxpayer. For tax questions and for assistance in preparation of your tax return, we suggest that you contact your Certified Public Accountant.

If you have suggestions or comments concerning this guide, please contact us at markz@cscpa.org or via mail at "Federal Income Tax Guide," CSCPA, 845 Brook Street, Bldg. 2, Rocky Hill, CT 06067-3405.

Overview of Legislator Compensation

The Connecticut General Statutes provide for members of the General Assembly to receive three different types of payments:

- Section 2-8 specifies an annual salary. The amounts vary according to responsibility with the presiding officers, majority and minority leaders and committee chairs, deputies and assistants receiving higher amounts. The current base amount is \$28,000 a year, effective January 3, 2001.
- Section 2-8 also provides for a non-accountable expense reimbursement to be paid to each legislator. Currently, members of the House of Representatives receive \$4,500 per year and Senators receive \$5,500.
- Section 2-15 provides a transportation **allowance** be paid to each member of the General Assembly. The allowance is paid for each mile traveled between your home and the State Capitol (for any legislative business) or to committee meetings or out-of-town meetings of the General Assembly. The rate used by the state changes from time to time; it was 48.5 cents per mile from January 1, 2008 to March 18th; was changed to 50.5 cents per mile effective March 19th through July 31st; and from August 1 through December 31, 2008 Connecticut's reimbursement rate was 58.5 cents per mile. Members must report to the State the number of miles eligible for the allowance on a monthly basis.

The IRS considers you to be an employee of the State of Connecticut. All three types of payment described above are considered taxable and are included on the Form W-2 issued to you at the end of the tax year. Your salary and general expense reimbursements are fully subject to both income tax withholding and to FICA and Medicare tax withholding. The transportation allowance is also subject to withholding for members living within 50 miles of the Capitol because it has the effect of reimbursing commuting expenses. For legislators living farther away, see the discussion of "tax home" which follows for a more detailed explanation.

Members may also be reimbursed for approved out-of-state travel; the amounts spent for airfare, train tickets and auto expense for that travel are not taxable to you and are not reported on your Form W-2.

No reimbursement is paid for travel of any kind on other legislative business such as attendance at public events or meetings with constituents but you should keep track of such costs because they are deductible under certain conditions. See the section on auto and travel expenses that follows.

As an employee of the State, you may be entitled to income tax deductions for expenses that are ordinary and necessary to the performance of your duties. The discussions that follow describe some of the business expenses that may be deducted by state legislators, how to keep track of them, and how to report them on your federal income tax form.

Tax Home

The determination of your “tax home” is essential because a taxpayer can deduct travel and overnight expenses when “away from home” as long as they are reasonable and necessary to the taxpayer’s business. For income tax purposes, your “tax home” is generally your regular place of business. For example, if your duties as a state legislator require your presence in Hartford overnight most of the year and your income as a legislator is your main source of income, Hartford would probably be determined to be your “tax home” and your living expenses in Hartford would not be deductible. Travel to your district (and your family home) would be deductible business travel.

A special election under Section 162 (h) of the Internal Revenue Code is available to state legislators whose residence is more than fifty miles from the State Capitol. Such legislators may elect, by attaching a statement to their tax returns, to have the legislative district they represent be treated as their “tax home” and to be considered to have been “away from home” every day that they were in Hartford on properly documented legislative business according to Section 162(h). They are deemed to have spent a per diem amount for travel and living expenses on each of those days and may deduct that amount regardless of their actual expenditures. A sample Section 162 (h) election statement is shown in the Appendix.

Legislators who do not live more than 50 miles from the Capitol are not eligible for this special treatment and their travel to and from Hartford is generally considered to be commuting, a nondeductible expense.

The Internal Revenue Service has published a State Legislator Travel Fact Sheet (reproduced below in italics).

Section 162(a)(2) of the Internal Revenue Code allows a deduction for the ordinary and necessary expenses incurred in a trade or business, including travel expenses while away from the individual’s tax home.

Generally, the taxpayer’s tax home is the principal place of activity for the business. However, Section 162(h) provides a special election for state legislators who attend legislative sessions away from the area of their residence. This election allows a state legislator to designate his or her personal residence as his or her home with respect to the trade or business of being a legislator. This means that when the legislator is at the state capitol, he or she will be traveling away from home and incur deductible expenses.

The election is only available to legislators whose place of residence is more than 50 miles from the state capitol.

By making the election, the legislator is deemed to have expended for living expenses on each legislative day, the greater of the amount generally allowable:

- 1. For the day to employees of the legislator’s state per diem while away from home, to the extent the amount does not exceed 110 percent of the amount described in (2), or*
- 2. To employees of the executive branch of the Federal government for per diem in that area while traveling away from home in the United States.*

A “legislative day” includes any day the legislature is in session. This includes any day when the members are expected to attend, regardless of whether the electing legislator actually does attend. A legislative day also includes any day the legislature is not in session but the physical presence of the electing legislator is formally recorded at a meeting of a committee of the legislature.

The legislature is considered “in session” when it is not in session for a period of 4 days or less.

“Living expenses” include expenses for lodging, meals, laundry, and other incidental expenses but does not include expenses for travel fares, local transportation, or telephone calls.

No deduction is allowed for any expenses for which the legislator receives reimbursement.

A legislator makes the election by attaching a statement to the legislator income tax return (or amended return) for the taxable year for which the election is effective.

The IRS issued proposed regulations on March 28, 2008, to incorporate these rules into final regulations. To see the regulations and examples of 162(h) application, see the Federal Register announcement Vo.73, No. 62 pgs 16797-16800 or <http://www.thefederalregister.com/d.p/2008-03-31-E8-6500>.

Your tax home and the election under Section 162 (h) are important in determining your deductible expenses. Your CPA can help you decide what to do based on your individual facts and circumstances. ***For the rest of this guide, the assumption will be that your tax home is the same as the legislative district you represent.***

Business Expenses

Expenses incurred by a legislator in connection with efforts “to ascertain, assess, and advance the interests of constituents” are considered to be directly related to a legislator’s trade or business. Generally, employee business expenses are deductible as miscellaneous deductions if the employee is not reimbursed, if the expense exceeds the amount of reimbursement, or if the reimbursement is included in taxable income. Because your statutory expense reimbursement and your travel allowance **are** included as taxable wages on your Form W-2, you will need to file Form 2106, Employee Business Expenses, in order to deduct your expenses. On your federal income tax return, only miscellaneous itemized deductions (including employee business expenses) in excess of two percent of your adjusted gross income are deductible; they are not deductible on your state income tax return.

Travel

Travel expenses other than commuting are generally deductible as long as you have actually paid for them. If you ride with someone else and do not incur any expense, you cannot claim any expense for the trip. Some examples of business travel expenses for a legislator are:

- Travel within your district to meet with constituents, attend ceremonial or civic functions or for speaking engagements or other meetings.
- Travel within Hartford that is not part of your commute to or from home.
- Necessary travel between two places of business. If you maintain a business apart from your job as a legislator, your trip from home to the first stop of the day is considered commuting and not deductible. Travel after that to your second job as legislator is deductible.

When you travel by taxi, bus, or train, the expense to be included is the fare plus any taxes and tips. When you travel in your car,

there are several different ways to calculate the expense, all based on mileage. The section on “How To Keep Track of Your Expenses” includes an explanation of the alternatives.

Office Expenses

Amounts that you spend in connection with your duties as a legislator for office expenses are generally deductible. Some examples of deductible expenses are:

- Rent for space that you use strictly as an office in the performance of your duties as a legislator, including utilities.
- Office supplies such as stationery, pens, pencils and postage.
- The cost of holiday cards mailed to people related to your position in government.
- Publications that you need to read in order to be informed about your district or the state.
- Education expenses necessary for you to maintain or improve your skills as a legislator.
- Payments to part-time help. If you hire an assistant, clerk, or aide to assist you in legislative matters, the compensation paid is deductible. In most cases, amounts paid to individuals for services are considered employee wages and are subject to the payroll tax laws. You should consult your CPA about obtaining federal and state employer identification numbers and about withholding and remitting payroll taxes.
- Long-distance telephone charges.
- Charges for basic local telephone service for the first telephone line for a residence is an expense that you incur whether or not you are a member of the legislature and is a nondeductible personal expense. Calls charged in excess of those covered by the basic rate are a deductible expense if they are business calls. If you have a telephone installed

exclusively for business use, the entire cost of this telephone would be deductible.

- Depreciation. Computers, office equipment and furniture used by a legislator may be depreciated over their recovery periods and the business portion of this depreciation expense may be deducted. The IRS regulations governing depreciation are complex and you should consult your CPA about them.

Under certain circumstances, you may be allowed to deduct some expenses related to the use of part of your home as an office. See the section on “Business Use of Your Home” for a more complete discussion.

Living Expenses

If you make a special “tax home” election as discussed earlier, you are considered to have been away from home overnight on trade or business matters even if you actually return to your district at night, and you may deduct a standard amount for meals and lodging established by the IRS.

The amount deductible under the election may be the greater of the State per diem amount or the **federal per diem amount in the State Capitol for each “legislative day” of such individual during the taxable year. The state per diem cannot exceed 110 percent of the federal per diem rate.** A legislative day is any day that the legislature is in session (including recess periods of four consecutive days or less), or any day the legislature is not in session but for which your presence is formally recorded at a meeting of a legislative committee.

For travel performed on or after October 1, 2007, the federal allowable per diem rate for the Hartford area is \$152, which consists of \$103 for lodging and \$49 for food. For travel performed on or after October 1, 2008, the federal allowable per diem rate for the Hartford area is \$161, which consists of \$112 for lodging and \$49 for food. Please refer to the U.S. General Services Administration at www.gsa.gov for updates on the allowable amounts. The net per diem rate deduction for meals is reduced by 50 percent as with other meal and entertainment expenses.

Advertising

Advertisements purchased in trade journals, newspapers and other media are deductible if the ads are paid for by you and are a necessary part of your business in order to maintain relations with your constituency and inform them of affairs of the state government and your own official actions.

The cost of pens, calendars and similar items given to your constituents are deductible because this is directly related to your business of adequately and properly serving your constituency.

However, during a re-election campaign period, it would be best to have the cost of advertisements paid for out of campaign contributions. Expenses for advertising would not be deductible if paid from personal funds if they were determined to be campaign related.

Dues and Membership Expenses

Since 1993, no deduction has been allowed for amounts paid or incurred for membership in any club organized for business, pleasure, recreation or other social purposes. Clubs organized for business, pleasure, etc., include but are not limited to country clubs, golf and athletic clubs, airline and hotel clubs, and business luncheon clubs.

Although membership dues are not deductible, expenses incurred at a club, such as business meals, are deductible (subject to 50 percent disallowance for meals and entertainment).

However, dues for membership in professional associations and civic organizations are deductible to the extent they are used for business purposes. Examples include bar associations, medical associations, business leagues, trade associations, chambers of commerce, real estate boards, and civic or public service organizations.

Meals and Entertainment

The rules for deducting entertainment costs dictate that such expenditures must have a business purpose and that the taxpayer and the persons entertained have a business relationship, i.e., the expense must be an ordinary and necessary business expense. Furthermore, the expense must be directly related to or associated with the active conduct of the taxpayer's trade or business. Generally, entertainment is "directly related" if a business conversation takes place during the entertainment. If the business discussion does not take place during the entertainment, it must at least directly precede or follow the entertainment, i.e., entertainment "associated with" the conduct of a trade or business.

Specific recordkeeping requirements must be met in order to deduct expenditures for entertainment. You should maintain a record, such as an expense diary, of the amount spent, the date, the place of entertainment, the business reason or nature of the benefit to be derived, and information about the persons entertained to establish their business relationship. Receipts for expenses in excess of \$75 per meeting must be retained. In addition, these expenses are subject to the general 50 percent limitation.

You cannot deduct the cost of a vacation home even if it is used to entertain for business purposes. While entertainment expenses may be deductible, costs such as depreciation, rent, utilities, maintenance, and housekeeping related to "entertainment facilities" such as a vacation home are not deductible. However, expenses for interest, taxes and casualty losses associated with the vacation home may still be deductible as itemized deductions.

Business Use of Your Home

Generally, no costs of your home are allowed as business deductions. However, certain expenses of running your home may be apportioned to business use and deducted on your income tax return as business expenses in connection with your position as a legislator. The Taxpayer Relief Act of 1997 eased the requirements for qualification. The home office must still be used **exclusively** and **regularly** as either your principal place of business or as an office to meet with your constituents on a regular basis. As before, the office doesn't have to be an entire room: it can be a portion of a room as long as it is a separate workspace and is not used for personal functions.

For years beginning after 1998 however, the term "principal place of business" has been expanded to include an office used for administrative or management activities of any business (or business activity of an employee) if there is not another fixed location where those activities are conducted. Your ability to deduct home office expenses would not be affected by the fact that you conduct substantial **non**administrative activities at another fixed location. As in the case with any employee, a legislator must establish that the use of the home office is for the employer's (the State's) convenience.

If these conditions are present, then you may deduct a portion of the cost of running the home. You may determine the percentage allocable to business purposes by any method that is reasonable under the circumstances. For example: divide the number of square feet used for business by the total number of square feet in your home. The deduction is limited to your gross business income less deductions allowable regardless of use, i.e., taxes and interest. Some types of deductible expenses of operating a home office are:

- **Depreciation:** Annual depreciation is computed by multiplying the cost of your home (excluding the land) by the IRS applicable percentage. You can find a chart to help you calculate the total annual depreciation amount in the IRS instructions for Form 4562. Apply the percentage of business use to the total amount to figure the deductible portion.
- **Rent:** If you are renting a home or an apartment, the business portion (percentage) of your rent can be deducted.
- **Utilities and Insurance:** These expenses related to the home may be allocated in part to the home office based on the percentage of square footage of your home or apartment that is used as an office.
- **Maintenance Expenses:** Where a designated space or room in your home is exclusively used as an office, any maintenance expenses to keep up this room or area may be deducted as a business expense for that year. Examples of such items include cleaning and painting. However, expenses related to carpentry work performed to install bookcases or make other improvements, as well as the installation of carpeting in this room are capital expenses that may be depreciated over the appropriate period of time.

Be careful that the office is never used for nonbusiness activities such as campaign promotion because doing so could make all of your expenses nondeductible.

If you are considering using part of your home as an office, we urge you to consult with a Certified Public Accountant. The Taxpayer Relief Act of 1997 introduced new rules related to the taxability of gain resulting from the sale of your principal residence. Using part of your home as an office may reduce your ability to take full advantage of the favorable tax treatment available to those gains.

How to Keep Track of Your Expenses

Estimates of your expenses are generally not acceptable. **All taxpayers must maintain adequate records or sufficient evidence to support their deductible business expenses.** Adequate records include receipts, canceled checks, log books, diaries and books of record. The documentation should be recorded at or near the time the expense was incurred rather than long after the fact because the IRS tends to disbelieve “retroactive” records. For lodging expenses away from home and for all expenses in excess of \$75, you should be prepared to produce documentary evidence, such as receipts or paid bills.

Some categories of expense have special requirements regarding recordkeeping and documentation. In **every** case, the business nature of the expense must be indicated in some fashion. You should keep more documentation than is required rather than not enough.

Automobile

You will need to keep a record to show when you started to use your car for business and the cost or other basis of the car at that time. Also, you must record the total number of business miles you drove the car during the year and the total number of miles you drove for the year. Odometer readings on January 1 and December 31 of each year are strongly recommended, as is a diary that shows the distance driven for business.

Once you have determined the number of business miles for the year, your deduction for automobile expenses can be either in the form of the **standard mileage rate** or you can deduct the business portion of your automobile expenses. The standard mileage rate was 50.5 cents per mile beginning January 2008 and changed to 58.5 cents per mile effective July 1 through December 31, 2008. For 2009, the rate effective January 1 was 55 cents. The business portion deduction is computed by applying a ratio of business miles to total miles driven during the year to your expenses.

The method you use depends on several factors. If you did not use the standard mileage rate method in the first year of business use for this vehicle, you must use the actual expense method for all subsequent years, unless you elected to use straight-line depreciation for the vehicle. Please confer with your CPA or refer to IRS Publication 463 to determine the best method for your situation.

If you are not required to use the actual expense method, you may choose annually the method that gives you the larger deduction.

Actual expenses include gasoline, oil, repairs, insurance, tires, license plates, and depreciation or rental expenses. A traffic violation fine is a penalty and is, therefore, not a deductible expense.

Regardless of the method chosen, business-related parking fees and tolls can be deducted. Local property taxes can be deducted on Schedule A, Line 7. This deduction is not limited to business use. Interest on car loans cannot be deducted by an employee, even if you use the car 100 percent for business as an employee.

Out-of-Town Travel

Travel expenses should be recorded as follows:

- The dates of departure and return and the number of days spent on business.
- The destination and the business purpose of the trip or the business benefit derived or expected to be derived as a direct result of the travel.
- The amounts spent for transportation, lodging, taxis, and meals. Expenses over \$75 should be documented with receipts.

Entertainment

Entertainment expenses should be recorded as follows:

- The amount and description of the activity, including a description of each separate expenditure, e.g., “dinner” or “theater.”
- The time and place where the entertainment was provided.
- The business purpose of the activity including a description of any business benefit derived or expected and the nature of any business discussed with the person entertained.
- The business relationship of the person or persons entertained by title, occupation or other designation sufficient to establish the relationship. If you entertain a large group, you need not record the name of each individual if a class designation would suffice to indicate the business relationship.

If the entertainment is **associated with** (directly preceding or following a business meeting or discussion), you must also record:

- The date and duration of the business discussion which preceded or followed the entertainment;
- The place where the business discussion was held;
- The nature of the discussion, its purpose and the benefit derived or expected to be derived from the discussion;
- The identity of the persons entertained who participated in the business discussion.

Generally, certain types of entertainment expenses are not considered to meet the “directly related to the active conduct of your business” test:

- Where the taxpayer, i.e., you, are not present.
- At night clubs, theaters, sporting events or social gatherings.
- At cocktail lounges or country clubs.
- On hunting or fishing trips or on yachts or pleasure boats.

- Where the group entertained includes persons other than business associates.

Taxpayers may prove that these entertainment expenses were directly related to their trade or business by establishing that a **substantial**, rather than incidental, business discussion occurred during the entertainment.

Gifts

The deduction for gifts is limited to \$25 per recipient per year. To deduct the cost of business gifts, you must document:

- The cost and a description of the gift;
- The date the gift was made;
- The business reason for, or the benefit derived or expected as a result of, the gift; and
- The relationship of the recipient to you including name, title or other designation sufficient to establish the relationship.

You must retain records and related documentary evidence in support of business expense deductions during the period that your return is subject to audit. Normally, this period is three years from the date of filing the federal tax return on which you claimed the deductions or three years from its due date, whichever is later. However, the statute of limitations is longer in the case of a substantial omission from gross income.

How to Report Expenses

Expenses related to your job as a legislator are considered to be “unreimbursed employee business expenses.” These are deducted as miscellaneous itemized deductions on Schedule A of your Form 1040. The deduction is then reported on Form 2106, Employee Business Expenses.

Form 2106 is in two parts. Part II, on page 2, is used to calculate your expenses for vehicle use and should be filled out first. The instructions will help you to determine which sections of Part II to complete. Whichever method is used, the amount calculated is carried over to Part I and entered on line 1 of Step 1. Lines 2, 3 and 5 list the categories of expenses to be entered. Line 4 is for business expenses not specified on any other line, including the business use of your home, if appropriate.

The calculation of a home office deduction is performed on a worksheet that is included in IRS Publication 587 (Business Use of Your Home). The instructions printed with the form will help you to calculate the allowable amount to carry to Schedule A, Itemized Deductions.

If you need additional help, consult your CPA or get a copy of IRS Publications 587 (Business Use of Your Home), 463 (Travel, Entertainment, Gift, and Car Expenses) and 529 (Miscellaneous Deductions).

Frequently Asked Questions and Answers

Can I take a deduction for the use of my car?

- Q.** Yes. Legislative service is treated like most other business activities in this regard.
- A.** You can keep track of the cost of maintaining and operating your car and deduct the percentage of that total which equals your legislative miles divided by the total miles driven during the year. Alternatively, you could multiply your legislative miles by the IRS allowable rate for business use. The standard mileage rate was 50.5 cents per mile beginning January 2008 and changed to 58.5 cents per mile effective July 1 through December 31, 2008. For 2009, the rate effective January 1 was 55 cents. In either case, you need to keep a record of your legislative miles.

Q. What miles are deductible?

- A.** Legislative miles are of three types: miles driven for campaigning, miles which involve driving to appearances, constituent visits and meetings in the performance of your duties, and miles driven to and from the Capitol. The first (campaigning miles) **are not** deductible, the second (legislative miles) **are** deductible, and the third (to and from the Capitol) **might** be deductible. Deductibility of “Capitol miles” follows the standard IRS rule that business miles are deductible but commuting miles are not. For this reason, driving to the Capitol is deductible for those legislators living within 50 miles only if it occurs after driving to another place of work.

Q.

What if I have kept careful track of my business miles but I don't know my total mileage for the year?

A. In most cases, estimates are not acceptable but the IRS has accepted estimates of total mileage based on records other than a log of odometer readings. For instance, if you have repair records for your car which establish odometer readings at certain dates, you can use those to estimate total miles.

Q. How should I treat the costs of meals or entertainment?

A. You must be able to demonstrate business purpose for entertainment or meal expenses as discussed in the section "How to Keep Track of Your Expenses." Dues and memberships to recreational organizations are not deductible, nor are the costs of maintaining an additional residence even if it is used for business entertainment. However, the costs of entertaining at these locations are deductible. All meal and entertainment expenses are subject to a 50 percent disallowance.

Q. How about tickets to charity fund raisers I must attend?

A. If you pay for your dinner (and if it is not an expense associated with campaigning for office) the cost is deductible as an employee business expense on Form 2106 subject to the 50 percent limitation on meals. Amounts paid in excess of the value of the meal are deductible as charitable contributions. Amounts spent for events where you derive no benefit, or a minimal benefit, are fully deductible as charitable contributions, so if you pay for a fundraiser and don't go, you may deduct the entire amount.

Q.

Can I deduct my campaign expenses?

A.

No. The IRS does not allow any deduction for personal funds paid to support a campaign. This includes travel, advertising, related legal fees and the cost of attending conventions.

Q.

What if I don't itemize deductions?

A. Then you can't deduct your legislative expenses because they're miscellaneous itemized deductions.

List of Useful Forms and Publications

The publications listed below may be obtained free of charge from your local IRS office or may be ordered by calling IRS toll free at 1-800-TAX-FORM (1-800-829-3676).

You may also download forms and publications from the Internal Revenue Service website at <http://www.irs.gov>.

Publication 17, *Your Federal Income Tax*

<http://www.irs.gov/pub/irs-pdf/p17.pdf>

Publication 463, *Travel, Entertainment, Gift and Car*

<http://www.irs.gov/publications/p463/index.html>

Publication 529, *Miscellaneous Deductions*

<http://www.irs.gov/publications/p529/index.html>

Publication 587, *Business Use of Your Home*

<http://www.irs.gov/publications/p587/index.html>

Publication 946, *How to Depreciate Property*

<http://www.irs.gov/publications/p946/index.html>

Form 2106 – *Employee Business Expense*

<http://www.irs.gov/pub/irs-pdf/f2106.pdf>

Form 4562 – *Depreciation and Amortization*

<http://www.irs.gov/pub/irs-pdf/f4562.pdf>

APPENDIX

IRS Section 162 (h) Election

I live more than 50 miles from the Connecticut State Capitol building and hereby elect under IRS Section 162 (h) to designate my place of residence within the district I represent as my tax home for the tax year beginning _____ and ending _____.

Legislator's Name _____

Social Security Number _____

Address Within District _____
