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A \$35 Million Wedding? Yes, Before Taxes

Weddings can be *expensive*. If you are wealthy, a celebrity or both, their cost can be downright obscene. For example, Justin Timberlake and Jessica Biel reportedly spent [\\$6.5 million](#) on their wedding, and there have been many much pricier ones. One unofficial tally is [the 12 most expensive weddings in history](#). Of course, just look at [how Kim Kardashian and Kanye West spent \\$12m](#). And if you add up [Kim's three weddings, reports say it reaches \\$30 million](#).

With these stratospheric numbers, these days some wedding planners count tax deductions as fringe benefits. It's true that donating the flowers, the wedding dress, and leftover food to charity can give rise to tax deductions. Even venue costs and church ceremony fees can be tax deductible in some cases. As you might expect, though, the key with all of these items is making real donations to qualified charities. You have to have actually paid for the items, and you can't ask for concessions from the charity in return.

That means a majority of the wedding expenses are still not going to qualify, not unless you get awfully creative. But suppose you're all about business? Is it possible to write off the cost if you're inviting all your clients and customers? You're probably not the first person to think of this, but consider the IRS rules on business expenses. In general, for an expense to be deductible, actual business must be conducted. Alternatively, entertainment can be deductible even if actual business isn't conducted if the entertainment either precedes or follows a business meeting.



Salim Mehajer with his bride Aysha

Under either of these tests, your wedding is likely to fail. Then there is the lavish or extravagant rule. Even if a business expense is legit, you can't deduct it if it is lavish or extravagant. Exactly what steps over the lavish or extravagant line isn't clear. But the mere fact that you *might* conduct business entertainment at a high-end restaurants or hotels doesn't necessarily mean it's lavish. Consider some of the [world's most extravagant meals](#).

However, if you are spending in the stratosphere, you might expect the IRS to claim it's personal, regardless of how many of your business connections were in attendance. And try not to annoy your neighbors. Consider the recent Australian deputy mayor whose ridiculous wedding scene may cost him his job. Mr. Salim Mehajer, Deputy Mayor of Auburn, Australia, starred in Hollywood-style videos as a build up to the big day. He was shown as a veritable action star, with an [over-the-top six-minute film](#) of him arriving at the venue in a helicopter.

His constituents were angry at the politician and his bride. For one thing, their wedding bash saw an entire street closed, with some residents' cars towed. The stretch limousines, professional film crews, and fleets of motorbikes and luxury cars reportedly brought the price tag above \$35 million. The reaction was bad enough that Mayor Mehajer may soon be out of a job if the local council makes good on its threats.

There is no evidence that Mayor Mehajer had the government pay for any of this, nor that he will try to write it off his taxes. But with other hugely

expensive weddings, it is worth noting that some have tried to get some help from Uncle Sam when the bills for their wedding start to pile up. A useful rule, though, is to stick to charitable contribution rules, and to forget arguing that any part of your wedding is a business expense.

Speaking of charity, consider that even *expensive* meals might not be lavish or extravagant. For example, what about someone who spent \$2.35 *million* for lunch with Warren Buffett? That's expensive even for eight people and even to support [Glide Memorial Church](#) in San Francisco. Nevertheless, most of that [rich \\$2.35 million lunch qualifies for a write-off](#), but as a charitable contribution (in excess of the meal value), not as a business expense.

For alerts to future tax articles, email me at Wood@WoodLLP.com. This discussion is not intended as legal advice, and cannot be relied upon for any purpose without the services of a qualified professional.