



## Robert W. Wood

THE TAX LAWYER

Mar. 20 2012 — 5:49 am

### More Strange Tax Deductions

I noted [here](#) that some tax deductions may make yours look positively boring. Boring is good on tax returns, but if your facts are right and you feel adventurous, here are some additional unusual deductions taxpayers managed to get approved.

#### **Drunk Driving Expenses.**

[Mr. Rohrs](#) drank too much at a party but had the good sense to arrange a ride home. Rather than sleeping it off, a few hours later he thought he was okay to drive. Unfortunately, he drove off the road and was arrested for driving under the influence.

His car was damaged and his insurance company refused to cover it since alcohol and the police were involved. As a result, Mr. Rohrs paid for the repairs and deducted them. It was a casualty loss, he claimed. The IRS said no and Mr. Rohrs went to [Tax Court](#).

The court commented that it wouldn't have allowed his casualty loss argument had he driven straight home from the party and crashed the car. But his reasonable actions gave rise to his reasonable deduction.



**Babysitting Fees.** Babysitters are personal expenses, but occasionally can be something else. Take [charitable contributions](#). The IRS says “you cannot deduct payments for child care expenses as a charitable contribution, even if they are necessary so you can do volunteer work for a qualified organization.” See [IRS Publication 526, Charitable Contributions, Table 2](#).

However, Mrs. Kingsley paid her sitter so she could be out of the house doing volunteer work for charity. Clearly, the money for the sitter didn’t go to the charity, and the IRS said there was no deduction. But in *Kingsley v. Commissioner*, T.C. Summ. Op. 1978-74, the Tax Court held the sitter’s fees qualified as charitable contributions since they enabled Mrs. Kingsley’s work. The court expressly rejected a contrary IRS [Revenue Ruling 73-597](#).

**Free Beer.** In a promotional scheme that probably wouldn’t be attempted today, the owner of a gas station decided that patrons would rather have beer than trading stamps. He deducted the beer as a business expense. The IRS denied the deductions and he went to Tax Court where the court ruled the deductions were proper. See [Sullivan v. Commissioner](#).

**Home Landscaping Costs.** Home office deductions are notoriously scrutinized so it might surprise you to find that someone deducted the costs of landscaping. See [Is Your Bathroom Your Home Office?](#) But if you meet the special hurdles to claiming home office expenses, you can too. In [Langer v. Commissioner](#), a sole proprietor regularly met clients in his home office.

He kept up the place in part to make it suitable for that use. It wasn’t all deductible, but when the IRS denied his deductions he prevailed in Tax Court. The court said he could deduct part of the costs of landscaping the property coinciding with the part of the home he used for business. The court even allowed a deduction for a portion of the costs of lawn care and driveway repairs.

**Pet Moving Expenses.** If you are changing jobs and meet several tests, you can deduct your moving expenses. See [IRS Tax Topic 455](#). Compared to your own moving expenses, pet moving is likely

inexpensive. Still, even the IRS says you can sometimes deduct the costs of moving your pet. See [IRS Publication 521, Moving Expenses](#).

What's more, this is an above-the-line deduction, meaning that it isn't subject to [alternative minimum tax](#).

For more, see:

[Giving To Charity? Great. Staying Off IRS Radar? Priceless.](#)

[7 Top Tax Deductions for Small Businesses](#)

[11 Potentially Life Changing Year End Tax Strategies](#)

[Claiming Tax Deductions For Clothing?](#)

[Teacher's Tax Trouble: No Tax Deductions For Supplies](#)

[Is Your Bathroom Your Home Office?](#)

[Ten Tips For Deducting Your 'Hobby'](#)

[Taxing Suicide Kits: Business Or Hobby?](#)

[Adoption Tax Benefits?](#)

[Year-End Charitable Contribution Guide](#)

*Robert W. Wood practices law with [Wood LLP](#), in San Francisco. The author of more than 30 books, including *Taxation of Damage Awards & Settlement Payments* (4th Ed. 2009 with 2012 Supplement, [Tax Institute](#)), he can be reached at [Wood@WoodLLP.com](mailto: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.*