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10 DEDUCTIONS FOR JOB SEARCH

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1. To qualify for a deduction, the expenses must be spent on a job search in your *current occupation*.
2. You may *not* deduct expenses while looking for a job in a *new occupation*.
3. You can deduct *employment and placement agency fees*.
4. If your employer reimburses agency fees at a later year, you must include the amount in your gross income (up to the amount of your tax benefit in the earlier year).
5. You can deduct amounts spent for preparing and mailing copies of your *résumé* to prospective employers as long as you are looking for a new job in your present occupation.
6. If you *travel* to an area to look for a new job in your present occupation, you may be able to deduct travel expenses to and from the area. You can only deduct the travel expenses if the trip is primarily to look for a new job.
7. The amount of time you spend on a personal activity compared to the amount of time you spend looking for work is important in determining whether the trip is *primarily personal or business*.
8. You *cannot* deduct job search expenses if there is a *substantial break* between the end of your last job and the time you begin looking for a new one.
9. You cannot deduct job search expenses if you are looking for a job for the *first time*.
10. You figure your deduction on *Schedule A*. The amount of job search expenses that you can claim on your tax return is *limited*. You can claim the amount that is more than 2% of your adjusted gross income.