

January 2018

The new tax act provides for stricter limits on the deductibility of business meals and entertainment expenses.

Here's what you need to know:

	2017 Expenses (Old Rules)	2018 & Beyond Expenses (New Rules)
Office Holiday Parties	100% deductible	100% deductible
Entertaining Clients - Meals	50% deductible	50% deductible
Entertaining Clients - Other	Entertainment, amusement, recreation & associated facilities - 50% deductible	No deduction
	Tickets to qualified charitable events - 100% deductible	
Meals Provided for Convenience of Employer (Staff Meetings, late work days, etc.)	100% deductible provided they are excludible from employee's gross income as de minimis fringe benefits; otherwise, 50% deductible	50% deductible
Out of Town Employee Travel Meals	50% deductible	50% deductible
Employee Qualified Transportation	100% deductible (within limits)	No deduction, but remains nontaxable to the employee