



**Note:** *The draft you are looking for begins on the next page.*

## **Caution: DRAFT—NOT FOR FILING**

This is an early release draft of an IRS tax form, instructions, or publication, which the IRS is providing for your information. **Do not file draft forms.** We incorporate all significant changes to forms posted with this coversheet. However, unexpected issues occasionally arise, or legislation is passed—in this case, we will post a new draft of the form to alert users that changes were made to the previously posted draft. Thus, there are never any changes to the last posted draft of a form and the final revision of the form. Forms and instructions are subject to OMB approval before they can be officially released, so we post drafts of them until they are approved. Drafts of instructions and pubs usually have some additional changes before their final release. Early release drafts are at [IRS.gov/DraftForms](https://www.irs.gov/DraftForms) and remain there after the final release is posted at [IRS.gov/LatestForms](https://www.irs.gov/LatestForms). Also see [IRS.gov/Forms](https://www.irs.gov/Forms).

Most forms and publications have a page on IRS.gov: [IRS.gov/Form1040](https://www.irs.gov/Form1040) for Form 1040; [IRS.gov/Pub501](https://www.irs.gov/Pub501) for Pub. 501; [IRS.gov/W4](https://www.irs.gov/W4) for Form W-4; and [IRS.gov/ScheduleA](https://www.irs.gov/ScheduleA) for Schedule A (Form 1040), for example, and similarly for other forms, pubs, and schedules for Form 1040. When typing in a link, type it into the address bar of your browser, not a Search box on IRS.gov.

If you wish, you can submit comments to the IRS about draft or final forms, instructions, or pubs at [IRS.gov/FormsComments](https://www.irs.gov/FormsComments). Include “NTF” followed by the form or pub number (for example, “NTF1040”, “NTFW4”, “NTF501”, etc.) in the body of the message to route your message properly. We cannot respond to all comments due to the high volume we receive and may not be able to consider many suggestions until the subsequent revision of the product, but we will review each “NTF” message. If you have comments on reducing paperwork and respondent (filer) burden, with respect to draft or final forms, please respond to the relevant information collection through the Federal Register process; for more info, click [here](#).



**Publication 516**  
(Rev. November 2024)

# U.S. Government Civilian Employees Stationed Abroad

## Future Developments

For the latest information about developments related to Pub. 516, such as legislation enacted after it was published, go to [IRS.gov/Pub516](https://www.irs.gov/pub516).

## Reminders

**Combat zone participants.** If you were a civilian who served in a combat zone or qualified hazardous duty area in support of the U.S. Armed Forces, you can get certain extensions of deadlines for filing tax returns, paying taxes, filing claims for refund, and doing certain other tax-related acts. For details, see Pub. 3, Armed Forces' Tax Guide.

**Death due to terrorist or military action.** U.S. income taxes are forgiven for a U.S. Government civilian employee who dies as a result of wounds or injuries incurred while employed by the U.S. Government. The wounds or injuries must have been caused by terrorist or military action directed against the United States or its allies. The taxes are forgiven for the deceased employee's tax years beginning with the year immediately before the year in which the wounds or injury occurred and ending with the year of death.

If the deceased government employee and the employee's spouse filed a joint return, only the decedent's part of the joint tax liability is forgiven.

For additional details, see [Pub. 559, Survivors, Executors, and Administrators](#).

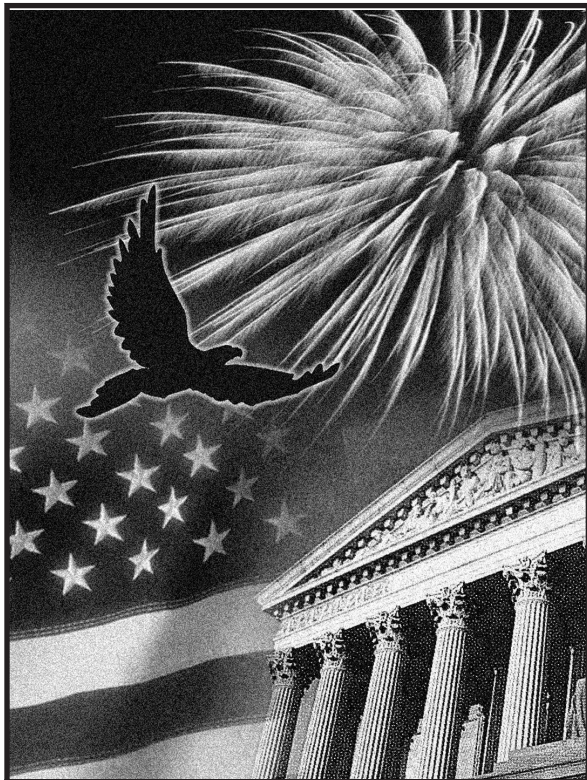
**Form 8938.** If you have or had foreign financial assets, you may have to file Form 8938 with your return. See [Foreign Bank Accounts](#), later.

**No miscellaneous itemized deductions allowed.** You can no longer claim any miscellaneous itemized deductions, including the deduction for unreimbursed job expenses. Miscellaneous itemized deductions are those deductions that would have been subject to the 2%-of-adjusted-gross-income limitation. The suspension of miscellaneous itemized deductions expires after tax year 2025, unless extended, amended, or repealed.

**Unreimbursed employee expenses.** Deductions for unreimbursed employee business expenses are only available to certain categories of employees who fall within an exception. Only Armed Forces reservists, qualified performing artists, fee-basis state or local government officials, and employees with impairment-related work expenses can deduct certain expenses such as travel expenses, and other expenses connected to your employment. Amendments limiting unreimbursed employee business expenses for other trades and businesses remain in effect until December 31, 2025, unless amended, extended, or repealed. See the categories listed under [Other Employee Business Expenses](#), later.

**Moving expense deduction suspended, except for certain Armed Forces members.** The moving expense deduction remains temporarily suspended, unless you're a member of the armed forces on active duty and, due to a

November 21, 2024



Get forms and other information faster and easier at:

- [IRS.gov](https://www.irs.gov) (English)
- [IRS.gov/Korean](https://www.irs.gov/korean) (한국어)
- [IRS.gov/Spanish](https://www.irs.gov/spanish) (Español)
- [IRS.gov/Russian](https://www.irs.gov/russian) (Русский)
- [IRS.gov/Chinese](https://www.irs.gov/chinese) (中文)
- [IRS.gov/Vietnamese](https://www.irs.gov/vietnamese) (Tiếng Việt)

military order, you move because of a permanent change of station. Limitations related to moving expenses under section 217(k) are set to expire after the 2025 tax year, unless amended, extended, or repealed.

---

## Introduction

If you are a U.S. citizen working for the U.S. Government, including the foreign service, and you are stationed abroad, your income tax filing requirements are generally the same as those for citizens and residents living in the United States. You are taxed on your worldwide income, even though you live and work abroad.

However, you may receive certain allowances and have certain expenses that you generally do not have while living in the United States. This publication explains:

- Many of the allowances, reimbursements, and property sales you are likely to have, and whether you must report them as income on your tax return, and
- Many of the expenses you are likely to have, such as moving expenses and foreign taxes, and whether you can deduct them on your tax return.

**U.S. territories.** This publication does not cover the rules that apply if you are stationed in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, or Puerto Rico. That information is included in [Pub. 570, Tax Guide for Individuals With Income From U.S. Territories](#).

**Comments and suggestions.** We welcome your comments about this publication and suggestions for future editions.

You can send us comments through [IRS.gov/FormComments](#). Or, you can write to the Internal Revenue Service, Tax Forms and Publications, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224.

Although we can't respond individually to each comment received, we do appreciate your feedback and will consider your comments and suggestions as we revise our tax forms, instructions, and publications. **Don't** send tax questions, tax returns, or payments to the above address.

**Ordering forms and publications.** Visit [IRS.gov/FormsPubs](#) to download forms and publications. Otherwise, you can go to [IRS.gov/OrderForms](#) to order current and prior-year forms and instructions. Your order should arrive within 10 business days.

**Tax questions.** If you have a tax question not answered by this publication, check IRS.gov and [How To Get Tax Help](#) at the end of this publication.

## Useful Items

You may want to see:

### Publications

- 3** Armed Forces' Tax Guide

- 54** Tax Guide for U.S. Citizens and Resident Aliens Abroad
- 463** Travel, Gift, and Car Expenses
- 505** Tax Withholding and Estimated Tax
- 514** Foreign Tax Credit for Individuals
- 519** U.S. Tax Guide for Aliens

- 523** Selling Your Home

### Form (and Instructions)

- Schedule A** (Form 1040) Itemized Deductions
- 1040** U.S. Individual Income Tax Return
- 1116** Foreign Tax Credit
- 4868** Application for Automatic Extension of Time To File U.S. Individual Income Tax Return
- 8833** Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)
- 8938** Statement of Specified Foreign Financial Assets
- FinCEN Form 114** Report of Foreign Bank and Financial Accounts (FBAR)

---

## U.S. Tax Return

### Filing Information

If you are a U.S. citizen or green card holder living or traveling outside the United States, you are generally required to file income tax returns in the same way as those residing in the United States. However, the special rules explained in the following discussions may apply to you. See also [Tax Treaty Benefits](#), later.

### When To File and Pay

Most individual tax returns cover a calendar year, January through December. The regular due date for these tax returns is April 15 of the following year. If April 15 falls on a Saturday, Sunday, or legal holiday, the due date is delayed until the next business day. If you get an extension, you are allowed additional time to file, and in some circumstances, pay your tax. You must pay interest on any tax not paid by the regular due date.

Your return is considered filed on time if it is mailed from and officially postmarked in a foreign country on or before the due date (including extensions), or given to a designated international private delivery service before midnight of the last date prescribed for filing. See your tax form instructions for a list of private delivery services that have been designated by the IRS to meet this "timely mailing as timely filing" rule for tax returns and payments.

If your return is filed late, the postmark or delivery service date does not determine the date of filing. In that case,



your return is considered filed when it is received by the IRS.

## Extensions

You may be able to get an extension of time to file your return and pay your tax.

**Automatic 2-month extension.** You are allowed an automatic 2-month extension (to June 15, for a calendar year return) to file your return and pay federal income tax if you are a U.S. citizen or resident alien and, on the regular due date of your return, you are living outside the United States and Puerto Rico and your main place of business or post of duty is outside the United States and Puerto Rico or you are in military or naval service on duty outside the United States and Puerto Rico. To get this extension, you must attach a statement to your return explaining how you qualified. You will owe interest on any tax not paid by the regular due date of your return. For more information on extensions for taxpayers out of the country, see [Pub. 54, Tax Guide for U.S. Citizens and Resident Aliens Abroad](#).

**Married taxpayers.** If you file a joint return, either you or your spouse can qualify for the automatic extension. If you and your spouse file separate returns, this automatic extension applies only to the spouse who qualifies.

**Additional extension.** You can apply for an additional extension of time to file your return by filing Form 4868. You must file Form 4868 by the due date of your income tax return. Form 4868 is available to be filed electronically. See Form 4868 for details.

Generally, you must file Form 4868 by April 15. However, if you qualify for the automatic 2-month extension, you generally must file Form 4868 by June 15 and check the box on line 8 of Form 4868 to indicate that you are "out of the country" and a U.S. citizen or resident.

**Payment of tax.** You should estimate and pay any additional tax you owe when you file Form 4868 to avoid being charged a late-payment penalty. The late-payment penalty applies if, through withholding, etc., you paid less than 90% of your actual tax liability by the original due date of your income tax return. Even if the late-payment penalty does not apply, you will be charged interest on any unpaid tax liability from the original due date of the return until the tax is paid.

**Electronic filing.** You can file for the additional extension by phone, using your home computer, or through a tax professional. See Form 4868 for more information.

**Limit on additional extensions.** You generally cannot get a total extension of more than 6 months. However, if you are outside the United States and meet certain tests, you may be able to get a longer extension.

For more information, see [Pub. 54](#).

## Foreign Bank Accounts

**FinCEN Form 114.** You must file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), if you had any financial interest in, or signature or other authority over a bank, securities, or other financial account in a foreign country. You do not need to file the report if the assets are with a U.S. military banking facility operated by a financial institution or if the combined assets in the account(s) are \$10,000 or less during the entire year.

FinCEN Form 114 is filed electronically with the Financial Crimes Enforcement Network (FinCEN). See the filing instructions at [bsaefiling.fincen.treas.gov](https://bsaefiling.fincen.treas.gov).

**Form 8938.** You may also be required to file Form 8938 with your U.S. income tax return to report your interest in foreign bank accounts and other specified foreign financial assets. For taxpayers living abroad, you generally do not have to file Form 8938 unless the total value of your specified foreign financial assets is more than \$200,000 (\$400,000 if married filing jointly) on the last day of the tax year or more than \$300,000 (\$600,000 if married filing jointly) at any time during the tax year. For more information, see the [Instructions for Form 8938](#).

## U.S. Government Payments

Wages earned for performing services outside the United States is foreign income, regardless of your employer. If you are a U.S. citizen or resident alien, you must report all income from worldwide sources on your tax return unless it is exempt by U.S. law. This applies to earned income (such as wages) as well as unearned income (such as interest, dividends, and capital gains). If you are a nonresident alien, your income from sources outside the United States is not subject to U.S. tax.

## Foreign Earned Income Exclusion

Employees of the U.S. Government are not entitled to the foreign earned income exclusion, the foreign housing exclusion, or the foreign housing deduction under section 911 because foreign earned income does not include amounts paid by the U.S. Government to you as an employee. But see [Other Employment](#), later.

## Special Situations

In the following two situations, your pay is from the U.S. Government and does not qualify for the foreign earned income exclusion, the foreign housing exclusion, or the foreign housing deduction.

**U.S. agency reimbursed by foreign country.** If you are a U.S. Government employee paid by a U.S. agency to perform services in a foreign country, your pay is from the U.S. Government and does not qualify for the foreign earned income exclusion, the foreign housing exclusion, or the foreign housing deduction. This is true even if the U.S. agency is reimbursed by the foreign government.

**Employees of post exchanges, etc.** If you are an employee of an Armed Forces post exchange, officers' and enlisted personnel club, Embassy commissary, or similar instrumentality of the U.S. Government, the earnings you receive are paid by the U.S. Government. This is true whether they are paid from appropriated or nonappropriated funds. These earnings are not eligible for the foreign earned income exclusion, the foreign housing exclusion, or the foreign housing deduction.

## Tax Treaty Benefits

Most income tax treaties contain an article relating to remuneration from government services. Even if you are working in a foreign country with which the United States has an income tax treaty in force and the treaty article that applies to government services says that your government pay is taxable only in the foreign country, the treaty will likely contain a "saving clause," which provides that the United States may tax its citizens and its residents as if the treaty had not come into effect. In some treaties, the government service article is an exception to the saving clause, but often only for individuals who are not U.S. citizens or green card holders. Consequently, if you are a U.S. citizen or green card holder, you will generally not be entitled to reduce your U.S. tax on your government pay. If you are neither a U.S. citizen nor green card holder, and you are treated as a resident of the treaty country under the treaty residence article (after application of the "tie-breaker" rule), then you may be entitled to benefits under the government service article. Review the treaty text carefully.

**Tie-breaker rule.** Generally, under U.S. income tax rules, an individual who is classified as a U.S. tax resident for all or part of the year and also is classified in that same year as a tax resident of a U.S. treaty partner (that is, the treaty country) will be subject to the provisions of the tie-breaker rule in the treaty residence article in the applicable U.S. income tax treaty. To determine if the tie-breaker rule applies, the individual must first determine their tax residence under the domestic laws of the United States and the laws of the treaty country. See Treasury regulations section 301.7701(b)-1 for rules to determine U.S. tax residency. If the individual is a tax resident of both countries during the year, then they are a dual resident for that year and may be subject to a series of tie-breaker rules in the applicable treaty's residence article, which determine their treaty residence. See, for example, Article 4(3) of the 2016 U.S. Model Treaty, available at [www.irs.gov/businesses/internationalbusinesses/united-states-model-tax-treaty-documents](http://www.irs.gov/businesses/internationalbusinesses/united-states-model-tax-treaty-documents). If you are a dual resident, you should consult the specific text of the applicable in-force U.S. income tax treaty to determine whether the tie-breaker provisions apply to you. The text of most U.S. income tax treaties in force may be found on the IRS website at [www.irs.gov/businesses/international-businesses/united-states-income-tax-treaties-a-to-z](http://www.irs.gov/businesses/international-businesses/united-states-income-tax-treaties-a-to-z). An individual who is not a U.S. citizen and a treaty resident of the treaty country after application of the tie-breaker rules would generally be treated as a nonresident of the United States

for purposes of determining their own U.S. income tax liability if they file a Form 1040-NR and attach a Form 8833, Treaty-Based Return Position Disclosure under Section 6114 or 7701(b).



*U.S. citizens must always file Form 1040. Non-U.S. citizens who are treated as a resident of a treaty country under the treaty residence article (after application of the "tie-breaker" rule) may file Form 1040-NR and attach Form 8833.*

If you pay or accrue taxes to the foreign country on your pay, you may be able to relieve double taxation with a foreign tax credit. Most income tax treaties contain an article providing relief from double taxation. Many treaties contain special foreign tax credit rules for U.S. citizens who are residents of a treaty country. For more information on the mechanics of the foreign tax credit, see [Foreign Taxes](#), later.

## Allowances, Differentials, and Special Pay

Most payments received by U.S. Government civilian employees for working abroad, including pay differentials, are taxable. However, certain foreign areas allowances, cost of living allowances, and travel allowances are tax free. The following discussions explain the tax treatment of allowances, differentials, and other special pay you receive for employment abroad.

**Pay differentials.** Pay differentials you receive as financial incentives for employment abroad are taxable. Your employer should have included these differentials as wages on your Form W-2, Wage and Tax Statement.

Generally, pay differentials are given for employment under adverse conditions (such as severe climate) or because the post of duty is located in a hazardous or isolated area that may be outside the United States. The area does not have to be a qualified hazardous duty area as discussed in Pub. 3. Pay differentials include:

- Post differentials,
- Special incentive differentials, and
- Danger pay.

**Foreign areas allowances.** Allowances (other than pay differentials) received under the following laws are tax free.

- Chapter 9 of Title I of the Foreign Service Act of 1980.
- Section 4 of the Central Intelligence Agency Act of 1949, as amended.
- Title II of the Overseas Differentials and Allowances Act.
- Subsection (e) or (f) of the first section of the Administrative Expenses Act of 1946, as amended, or section 22 of such Act (5 U.S.C. sections 5726(b); 5727(b), (d)-(f); and 5913).

Your employer should not have included these allowances as wages on your Form W-2. These allowances cover such expenses as:

- Certain repairs to a leased home,
- Education of dependents in special situations,
- Motor vehicle shipment,
- Separate maintenance for dependents,
- Temporary quarters,
- Transportation for medical treatment, and
- Travel, moving, and storage.



*Allowances received by U.S. government civilian employees for the shipment of household goods and personal effects to or from a post of duty under 5 U.S.C. sections 5722–5724 are not exempt from tax.*

Allowances received by foreign service employees for representation expenses are also tax free under the above provisions.

**Cost-of-living allowances.** If you are stationed outside the continental United States or in Alaska, your gross income does not include cost-of-living allowances (other than amounts received under Title II of the Overseas Differentials and Allowances Act) granted by regulations approved by the President of the United States. The cost-of-living portion of any other allowance (for example, a living and quarters allowance) is not included even if the underlying allowance is included in gross income. Cost-of-living allowances are not included on your Form W-2.

**Federal court employees.** If you are a federal court employee, the preceding paragraph also applies to you. The cost-of-living allowance must be granted by rules similar to regulations approved by the President.

**American Institute in Taiwan.** If you are an employee of the American Institute in Taiwan, allowances you receive are exempt from U.S. tax if they are equivalent to tax-exempt allowances received by civilian employees of the U.S. Government.

**Federal reemployment payments after serving with an international organization.** If you are a federal employee who is reemployed by a federal agency after serving with an international organization, you must include in income any reemployment payments you receive. These payments are equal to the difference between the pay, allowances, post differential, and other monetary benefits paid by the international organization and the pay and other benefits that would have been paid by the federal agency had you been detailed to the international agency.

**Allowances or reimbursements for travel and transportation expenses.** See [How To Report Business Expenses](#) later, for a discussion on whether a reimbursement or allowance for travel or transportation is included in your income.

**Lodging furnished to a principal representative of the United States.** If you are a principal representative of the United States stationed in a foreign country, you do not have to include in income the value of lodging (including utilities) provided to you as an official residence. However, amounts paid by the U.S. Government for your usual costs of operating and maintaining your household are taxable. If amounts are withheld from your pay to cover these expenses, you cannot exclude or deduct those amounts from your income.

**Peace Corps.** If you are a Peace Corps volunteer or volunteer leader, some allowances you receive are taxable and others are not.

**Taxable allowances.** The following allowances must be included on your Form W-2 and reported on your return as wages.

- If you are a volunteer leader, allowances paid to your spouse and minor children while you are training in the United States.
- The part of living allowances designated by the Director of the Peace Corps as basic compensation. This is the part for personal items such as domestic help, laundry and clothing maintenance, entertainment and recreation, transportation, and other miscellaneous expenses.
- Leave allowances.
- Readjustment allowances or “termination payments.”

Taxable allowances are considered received by you when credited to your account.

**Example.** Logan Carpenter, a Peace Corps volunteer, gets \$175 a month during periods of service, to be paid in a lump sum at the end of the tour of duty. Although the allowance is not available until the end of the period of service, Logan must include it in income on a monthly basis as it is credited to the account.

**Nontaxable allowances.** These generally include travel allowances and the part of living allowances for housing, utilities, food, clothing, and household supplies. These allowances should not be included on your Form W-2. These allowances are tax free whether paid by the U.S. Government or the foreign country in which you are stationed.

## Other Income

**Other employment.** If, in addition to your U.S. government pay, you receive income from a private employer or self-employment, you may qualify to claim the foreign earned income exclusion, the foreign housing exclusion and the foreign housing deduction under section 911 based on this other income provided you meet either the bona fide residence test or the physical presence test. In addition, if your spouse is a U.S. citizen or resident alien who earns income in a foreign country that is paid by a private employer or is from self-employment, he or she may



also qualify for the exclusions and/or deduction. For more information, see [Pub. 54](#).

The tax treaty rules relating to income from personal services generally apply to income from private employment. As discussed above, the saving clause applies to you if you are a U.S. citizen or if you are a resident alien of the United States under the treaty residence article (after application of the “tie-breaker” rule). See [Tie-breaker rule](#), earlier.

**Sale of personal property.** If you have a gain from the sale of your personal property (such as an automobile or a home appliance), whether directly or through a favorable exchange rate in converting the proceeds to U.S. dollars, the excess of the amount received in U.S. dollars over the cost or other basis of the property is a capital gain. Capital gains are reported on Schedule D (Form 1040), Capital Gains and Losses. However, losses from sales of your personal property, whether directly or through an unfavorable exchange rate, are not deductible.

**Sale of your home.** All or part of the gain on the sale of your main home, within or outside the United States, may be taxable. Losses are not deductible.

You may be able to exclude from income any gain up to \$250,000 (\$500,000 on a joint return). Generally, you must have owned and used the home as your main residence for 2 of the 5 years preceding the date of sale.

You can choose to have the 5-year test period for ownership and use suspended during any period you or your spouse is serving on qualified official extended duty as a member of the uniformed services, as a member of the Foreign Service of the United States, as an employee of the intelligence community, or as an employee or volunteer of the Peace Corps.

For detailed information on selling your home, see [Pub. 523, Selling Your Home](#).

## Deductions and Credits — Business Expenses

Armed Forces reservists, qualified performing artists, fee-basis state or local government officials, and employees with impairment-related work expenses may deduct certain expenses such as travel expenses, transportation expenses, and other expenses connected to employment. Due to the suspension of miscellaneous itemized deductions subject to the 2% floor under section 67(a), employees who do not fit into one of the listed categories above may not deduct employee business expenses. The suspension of miscellaneous itemized deductions subject to the 2% floor under section 67(a) will expire after 2025, unless repealed, amended, or extended. For more information on employee business expenses, see [Pub. 463, Travel, Gift, and Car Expenses](#).

### Travel Expenses

Subject to certain limits, you can deduct your unreimbursed ordinary and necessary expenses of traveling away from home in connection with the performance of

your official duties. These expenses include such items as travel costs, meals, lodging, baggage charges, local transportation costs (such as taxi fares), tips, and dry cleaning and laundry fees. Expenses must be reasonable (not lavish or extravagant) under the circumstances.

**TIP** *Your home for tax purposes (tax home) is your regular post of duty regardless of where you maintain your family home. Your tax home is not limited to the Embassy, consulate, or duty station. It includes the entire city or general area in which your principal place of employment is located.*

**Traveling away from home.** You are traveling away from home if you meet both of the following requirements.

- Your duties require you to be away from the general area of your tax home substantially longer than an ordinary day’s work.
- You need to get sleep or rest to meet the demands of your work while away from home. This requirement is not satisfied by merely napping in your car.

You do not have to be away from your tax home for a whole day or from dusk to dawn as long as your relief from duty is long enough to get necessary sleep or rest.

**Temporary assignment.** If your assignment or job away from your tax home is temporary, your tax home doesn’t change. You are considered to be away from home for the whole period, and your travel expenses are deductible. Generally, a temporary assignment in a single location is one that is realistically expected to last (and does in fact last) for 1 year or less.

However, if your assignment or job is indefinite, the location of the assignment or job becomes your new tax home and you cannot deduct your travel expenses while there. An assignment or job in a single location is considered indefinite if it is realistically expected to last for more than 1 year, whether or not it actually lasts for more than 1 year.

You must determine whether your assignment is temporary or indefinite when you start work. If you expect employment to last for 1 year or less, it is temporary unless there are facts and circumstances that indicate otherwise. Employment that is initially temporary may become indefinite due to changed circumstances. A series of assignments to the same location, all for short periods but that together cover a long period, may be considered an indefinite assignment.

**Exception for federal crime investigations or prosecutions.** If you are a federal employee participating in a federal crime investigation or prosecution, you may be able to deduct travel expenses even if you are away from your tax home for more than 1 year. This exception to the 1-year rule applies if the Attorney General certifies that you are traveling for the federal government in a temporary duty status to prosecute, or provide support services for the investigation or prosecution of, a federal crime.

**Limit on meals** You can generally deduct only 50% of the cost of your unreimbursed business-related meals.

Generally, entertainment and entertainment-related meal expenses, membership dues, and facilities used in connection with these activities cannot be deducted.

**Primary purpose of trip must be for business.** If your trip was entirely for business, your unreimbursed travel expenses are generally deductible. However, if you spend some of your time on nonbusiness activities, part of your expenses may not be deductible.

If your trip was mainly personal, you cannot deduct your travel expenses to and from your destination. This applies even if you engage in business activities while there. However, you can deduct any expenses while at your destination that are directly related to your business.

**Expenses paid for others.** You generally cannot deduct travel expenses of your spouse, dependents, or other individuals who go with you on a trip.

**Home leave.** The Foreign Service Act requires U.S. citizens who are members of the foreign service to take a leave of absence after completing 3 years of continuous service abroad. This period is called “home leave” and can be used to take care of certain personal matters such as medical and dental checkups, buying a new wardrobe, and visiting relatives.

The amounts paid for your travel, meals, and lodging while on home leave are deductible as travel or business expenses subject to the rules and limits discussed earlier. You must be able to verify these amounts in order to claim them. Amounts paid on behalf of your family while on home leave are personal living expenses and are not deductible.

**More information.** See chapter 1 of [Pub. 463](#) for more information on travel expenses.

## Transportation Expenses

You can deduct allowable transportation expenses that are directly related to your official duties. Transportation expenses include the cost of transportation by air, rail, bus, or taxi, and the cost of driving and maintaining your car. They do not include expenses you have when traveling away from home overnight. Those expenses are deductible as travel expenses and are discussed earlier.

**Commuting.** You cannot deduct your transportation costs of going between your home and your regular business location. These costs are personal commuting expenses.

If you have one or more regular business locations away from your home, but must work at a temporary location, you can deduct the costs of commuting to that temporary place of work.

If you work at two or more places in the same day, you can deduct your expenses of getting from one place of work to the other.

**More information.** For more information on transportation expenses, see chapter 4 of [Pub. 463](#).

## Other Employee Business Expenses

The exceptions to the limitations on unreimbursed employee business expenses are not subject to either itemization or the 2% floor on miscellaneous itemized deductions.

If you are one of the following individuals, special rules apply to deducting your employee business expenses.

**Armed Forces reservist (member of a reserve component).** You are a member of a reserve component of the Armed Forces of the United States if you are in the Army National Guard of the United States, Army, Navy, Marine Corps, the Air National Guard of the United States, Air Force, Coast Guard Reserve, or the Reserve Corps of the Public Health Service.

If you qualify, complete Form 2106, Employee Business Expenses and include the amount attributable to the expenses for travel more than 100 miles away from home in connection with your performance of services as a member of the reserves, and attach Form 2106 to your return. These reserve-related travel expenses are deductible whether or not you itemize deductions. See [Pub. 463](#) for additional details on how to report these expenses.

**Fee-basis state or local government official.** You are a qualifying fee-basis official if you are employed by a state or political subdivision of a state and are compensated, in whole or in part, on a fee basis.

If you qualify, complete Form 2106 and include the amount attributable to the expenses you incurred for services performed in that job, and attach Form 2106 to your return. These employee business expenses are deductible whether or not you itemize deductions.

**Qualified performing artist.** You are a qualified performing artist if you:

1. Performed services in the performing arts as an employee for at least two employers during the tax year,
2. Received from at least two of those employers wages of \$200 or more per employer,
3. Had allowable business expenses attributable to the performing arts of more than 10% of gross income from the performing arts, and
4. Had adjusted gross income of \$16,000 or less before deducting expenses as a performing artist.

In addition, if you are married, you must file a joint return unless you lived apart from your spouse at all times during the tax year. If you file a joint return, you must figure requirements (1), (2), and (3) separately for both you and your spouse. However, requirement (4) applies to the combined adjusted gross income of both you and your spouse.

If you meet all the requirements for a qualified performing artist, complete Form 2106 and include the amount attributable to performing-arts-related expenses, and attach Form 2106 to your return. Your performing-arts-related



business expenses are generally deductible whether or not you itemize deductions.

**Disabled employee with impairment-related work expenses.** Impairment-related work expenses are the allowable expenses of an individual with physical or mental disabilities for attendant care at their place of employment. They also include other expenses in connection with the place of employment that enable the employee to work. See [Pub. 463](#) for more details. If you qualify, complete Form 2106 and include the amount attributable to impairment-related work expenses, and attach Form 2106 to your return.

**TIP** To deduct any expenses for travel, you must meet the rules for recordkeeping and accounting to your employer. These rules are explained in [Pub. 463](#).

## Recordkeeping Rules

If you claim a deduction for unreimbursed business expenses, you must keep timely and adequate records of all your business expenses.

For example, you must keep records and supporting evidence to prove the following elements about deductions for travel expenses (including meals and lodging while away from home).

- The amount of each separate expense for travel away from home, such as the cost of your transportation, lodging, or meals. You may total your incidental expenses if you list them in reasonable categories such as daily meals, gasoline and oil, and taxi fares.
- For each trip away from home, the dates you left and returned and the number of days spent on business.
- The destination or area of your travel, described by the name of the city, town, or similar designation.
- The business reason for your travel or the business benefit gained or expected to be gained from your travel.

**How to record your expenses.** Records for proof of your expenses should be kept in an account book, diary, statement of expense, or similar record. They should be supported by other records, such as receipts or canceled checks, in sufficient detail to establish the elements for these expenses. You do not need to duplicate information in an account book or diary that is shown on a receipt as long as your records and receipts complement each other in an orderly manner.

Each expense should be recorded separately in your records. However, some items can be totaled in reasonable categories. You can make one daily entry for categories such as taxi fares, telephone calls, meals while away from home, gas and oil, and other incidental costs of travel. You may record tips separately or with the cost of the service.



Documentary evidence generally is required to support all lodging expenses while traveling away from home. It is also required for any other expense of \$75 or more, except transportation charges if the receipt is not readily available. Documentary evidence is a receipt, paid bill, or similar proof sufficient to support an expense. It ordinarily will be considered adequate if it shows the amount, date, place, and essential business character of the expense.



A canceled check drawn payable to a named payee would not by itself support a business expenditure. You must have other evidence to show that the check was used for a business purpose.

**Your records must be timely.** Record the elements for the expense in your account book or other record at or near the time of the expense. A timely kept record has more value than statements prepared later when there is generally a lack of accurate recall.

**Confidential information.** You do not need to put confidential information relating to an element of a deductible expense (such as the place, business purpose, or business relationship) in your account book, diary, or other record. However, you do have to record the information elsewhere at or near the time of the expense and have it available to fully prove that element of the expense.

**More information.** Recordkeeping is discussed in detail in chapter 5 of [Pub. 463](#).

## How To Report Business Expenses

As a U.S. Government employee, your business expense reimbursements are generally paid under an accountable plan and are not included in your wages on your Form W-2. If your expenses are not more than the reimbursements, you do not need to show your expenses or reimbursements on your return.

However, if you do not account to your employer for a travel advance or if you do not return any excess advance within a reasonable period of time, the advance (or excess) will be included in your wages on your Form W-2.

## Deductions and Credits — Nonbusiness Expenses

In addition to deductible business expenses, you may be entitled to deduct certain other expenses.

### Moving Expenses

If you are a member of the Armed Forces on active duty and you move because of a permanent change of station, you can deduct your unreimbursed moving expenses. For more information, see [Pub. 3](#).

**What constitutes a permanent change of station?** A permanent change of station includes:

- A move from your home to your first post of active duty,
- A move from one permanent post of duty to another, and
- A move from your last post of duty to your home or to a nearer point in the United States. The move must occur within 1 year of ending your active duty or within the period allowed under the Joint Travel Regulations.

**Deductible moving expenses.** Moving expenses that can be deducted include the reasonable unreimbursed costs of:

- Moving household goods and personal effects (including packing, crating, in-transit storage, and insurance) of both you and members of your household, and
- Traveling (including lodging) from the former residence to the new place of residence.



*The cost of your meals is not a deductible moving expense.*

For a foreign move, the costs of moving household goods include the reasonable expenses of moving household goods and personal effects to and from storage. Also included are reasonable costs associated with storing the goods and effects for part or all of the period that your new job location abroad continues to be your main job location.

**Expenses must be reasonable.** You can deduct only those expenses that are reasonable for the circumstances of your move. For example, the costs of traveling from your former home to your new one should be by the shortest, most direct route available by conventional transportation.

**Members of your household.** A member of your household includes anyone who has both your former home and new home as their home. It does not include a tenant or employee unless you can claim that person as a dependent.

**Retirees.** You can deduct the costs of moving to the United States when you permanently retire if both your former main job location and former home were outside the United States and its territories.

**Survivors.** You can deduct moving expenses for a move to the United States if you are the spouse or dependent of a person whose main job location at the time of death was outside the United States and its territories. The move must begin within 6 months after the decedent's death. It must be from the decedent's former home outside the United States, and that home must also have been your home.

**How to report moving expenses.** Use Form 3903, Moving Expenses to report your moving expenses and figure your allowable deduction. Claim the deduction as an adjustment to income on [Schedule 1 \(Form 1040\), Additional Income and Adjustments to Income](#). See [Form 3903](#).

**Reimbursements.** Generally, you must include reimbursements of, or payments for, nondeductible moving expenses in gross income for the year paid. You must also include in gross income reimbursements paid to you under a nonaccountable plan. However, there is an exception for the tax-free foreign areas allowances described earlier under [Allowances, Differentials, and Special Pay](#).

**Additional information.** For additional information about moving expenses, see the [Instructions for Form 3903](#).

## Other Itemized Deductions

You may be able to claim other itemized deductions not connected to your employment.

**Contributions.** You can deduct contributions to qualified organizations created or organized in or under the laws of the United States or its territories. You cannot deduct contributions you make directly to foreign organizations (except for certain Canadian, Honduran, Israeli, and Mexican charities), churches, and governments. For more information, see [Pub. 526, Charitable Contributions](#).

**Real estate tax and home mortgage interest.** If you receive a tax-free housing allowance, your itemized deductions for real estate taxes and home mortgage interest are limited. You must reduce the amount of each deduction that would otherwise be allowable by the amount of each expense that is related to the tax-free allowance.

**Example.** Sydney is a federal employee working overseas who receives a \$6,300 tax-free housing and utility allowance. During the year, Sydney used the allowance, with other funds, to provide the home. Expenses for this home totaled \$8,400 and consisted of mortgage principal (\$500), insurance (\$400), real estate taxes (\$1,400), mortgage interest (\$4,000), and utility costs (\$2,100). Sydney didn't have any other expenses related to providing for the home.

Sydney must reduce any deductions for home mortgage interest and real estate taxes. Sydney figures a reasonable way to reduce them is to multiply them by a fraction: its numerator is \$6,300 (the total housing and utility allowance) and its denominator is \$8,400 (the total of all payments to which the housing and utility allowance applies). The result is  $\frac{3}{4}$ . Sydney reduces the otherwise allowable home mortgage interest deduction by \$3,000 (the \$4,000 paid  $\times \frac{3}{4}$ ) and the otherwise allowable real estate tax deduction by \$1,050 (the \$1,400 paid  $\times \frac{3}{4}$ ). Sydney can deduct \$1,000 of the mortgage interest (\$4,000 – \$3,000) and \$350 of the real estate taxes (\$1,400 – \$1,050) if Sydney itemizes deductions.

**Exception to the reduction.** If you receive a tax-free housing allowance as a member of the military or the clergy, you do not have to reduce your deductions for real estate tax and home mortgage interest expenses you are otherwise entitled to deduct.

**Required statement.** If you receive a tax-free housing allowance and have real estate tax or home mortgage interest expenses, attach a statement to your tax return. The statement must contain all of the following information.

- The amount of each type of tax-free income you received, such as a tax-free housing allowance or tax-free representation allowance.
- The amount of otherwise deductible expenses attributable to each type of tax-free income.
- The amount attributable to each type of tax-free income that was not directly attributable to that type of tax-free income.
- An explanation of how you determined the amounts not directly attributable to each type of tax-free income.

The statement must also indicate that none of the amounts deducted on your return are in any way attributable to tax-free income.

## Foreign Taxes

If you pay or accrue taxes to a foreign government, you generally can choose to either claim them as a credit against your U.S. income tax liability or deduct them as an itemized deduction when figuring your taxable income.



*Do not include the foreign taxes paid or accrued as withheld income taxes on your Form 1040.*

**Foreign tax credit.** Your foreign tax credit is subject to a limit based on your taxable income from foreign sources. If you choose to figure a credit against your U.S. tax liability for the foreign taxes, you generally must complete Form 1116 and attach it to your U.S. tax return.

You cannot claim a credit for foreign taxes paid on amounts excluded from gross income under the foreign earned income or housing exclusions. If all your foreign income is exempt from U.S. tax, you will not be able to claim a foreign tax credit.

If, because of the limit on the credit, you cannot use the full amount of qualified foreign taxes paid or accrued in the tax year, you are allowed to carry the excess back 1 year and then forward 10 years.

**Exemption from limit.** You can elect to not be subject to the foreign tax limit if you meet all the following conditions.

- Your only foreign income is passive income, such as interest, dividends, and royalties.
- The total of all your foreign taxes is not more than \$300 (\$600 for joint tax returns).
- The foreign income and taxes are reported to you on a payee statement, such as Form 1099-DIV, Dividends and Distributions, or 1099-INT, Interest Income.

If you make the election, you can claim a foreign tax credit without filing Form 1116. However, you cannot carry back or carry over any unused foreign tax to or from this year.

**Foreign tax deduction.** You cannot deduct foreign taxes paid on income you exclude under the foreign earned income or housing exclusions.

**Example.** Pat and Charlie are married and live and work in Country X. Pat works for the U.S. Government and Charlie is employed by a private company. They pay income tax to Country X on Charlie's income only.

Pat and Charlie file a joint tax return and exclude all of Charlie's income. They cannot claim a foreign tax credit or take a deduction for the taxes paid to Country X.

**More information.** The foreign tax credit and deduction, their limits, and carryback and carryover provisions are discussed in detail in [Pub. 514, Foreign Tax Credit for Individuals](#).

## Local (Foreign) Tax Return

As a U.S. Government employee, you are expected to observe and fulfill all tax obligations imposed by the host country government. Check with local tax authorities to determine whether you are considered a tax resident of your host country, whether you are required to file a host country tax return and whether you owe taxes to the host country.

## Tax Treaty Benefits

As discussed earlier, most income tax treaties contain an article relating to remuneration from government services. Review the treaty text carefully to determine whether your U.S. Government remuneration is taxable in the host country. You will first have to determine whether you are a resident of your host country under the treaty residence article (after application of the "tie-breaker" rule).

If you or your spouse receives income from a private employer or self-employment, review the tax treaty rules relating to income from personal services and to business profits to determine whether that income is taxable in the host country.

If you pay or accrue taxes to both the host country and the United States, you may be able to relieve double taxation with a foreign tax credit. Most income tax treaties contain an article providing relief from double taxation. Many treaties contain special foreign tax credit rules for U.S. citizens who are residents of a treaty country. For more information about the foreign tax credit, see [Foreign Taxes](#), above. For more information about U.S. Tax Treaties, see [Pub. 901](#).

## Other Agreements

The United States may be a party to agreements other than income tax treaties that may affect your tax obligations to the host country. For example, consular employees may be exempt from host country tax under the



Vienna Convention on Consular Relations or bilateral consular agreements. Similarly, certain diplomatic staff may be exempt from host country tax under the Vienna Convention on Diplomatic Relations. Check with the appropriate U.S. Embassy for more information.

## Double Withholding

If your U.S. Government pay is subject to withholding in both the United States and the foreign country, you may reduce the amount of U.S. tax that is withheld from your pay if you expect to be entitled to a foreign tax credit on your U.S. income tax return on this income. See Pub. 505, Tax Withholding and Estimated Tax, for a worksheet to determine how to revise Form W-4, Employee's Withholding Certificate.

### 1.

## How To Get Tax Help

Assistance for overseas taxpayers is available in the U.S. and certain foreign locations.

## Taxpayer Assistance Inside the United States

If you have questions about a tax issue; need help preparing your tax return; or want to download free publications, forms, or instructions, go to [IRS.gov](https://www.irs.gov) to find resources that can help you right away.

**Preparing and filing your tax return.** After receiving all your wage and earnings statements (Forms W-2, W-2G, 1099-R, 1099-MISC, 1099-NEC, etc.); unemployment compensation statements (by mail or in a digital format) or other government payment statements (Form 1099-G); and interest, dividend, and retirement statements from banks and investment firms (Forms 1099), you have several options to choose from to prepare and file your tax return. You can prepare the tax return yourself, see if you qualify for free tax preparation, or hire a tax professional to prepare your return.

**Free options for tax preparation.** Your options for preparing and filing your return online or in your local community, if you qualify, include the following.

- **Free File.** This program lets you prepare and file your federal individual income tax return for free using software or Free File Fillable Forms. However, state tax preparation may not be available through Free File. Go to [IRS.gov/FreeFile](https://www.irs.gov/FreeFile) to see if you qualify for free online federal tax preparation, e-filing, and direct deposit or payment options.

- **VITA.** The Volunteer Income Tax Assistance (VITA) program offers free tax help to people with low-to-moderate incomes, persons with disabilities, and limited-English-speaking taxpayers who need help preparing their own tax returns. Go to [IRS.gov/VITA](https://www.irs.gov/VITA), download the free IRS2Go app, or call 800-906-9887 for information on free tax return preparation.
- **TCE.** The Tax Counseling for the Elderly (TCE) program offers free tax help for all taxpayers, particularly those who are 60 years of age and older. TCE volunteers specialize in answering questions about pensions and retirement-related issues unique to seniors. Go to [IRS.gov/TCE](https://www.irs.gov/TCE) or download the free IRS2Go app for information on free tax return preparation.
- **MilTax.** Members of the U.S. Armed Forces and qualified veterans may use MilTax, a free tax service offered by the Department of Defense through Military OneSource. For more information, go to [MilitaryOneSource \(MilitaryOneSource.mil/MilTax\)](https://www.MilitaryOneSource.com/MilTax).

Also, the IRS offers Free Fillable Forms, which can be completed online and then e-filed regardless of income.

**Using online tools to help prepare your return.** Go to [IRS.gov/Tools](https://www.irs.gov/Tools) for the following.

- The [Earned Income Tax Credit Assistant \(IRS.gov/EITCAssistant\)](https://www.irs.gov/EITCAssistant) determines if you're eligible for the earned income credit (EIC).
- The [Online EIN Application \(IRS.gov/EIN\)](https://www.irs.gov/EIN) helps you get an employer identification number (EIN) at no cost.
- The [Tax Withholding Estimator \(IRS.gov/W4App\)](https://www.irs.gov/W4App) makes it easier for you to estimate the federal income tax you want your employer to withhold from your paycheck. This is tax withholding. See how your withholding affects your refund, take-home pay, or tax due.
- The [First-Time Homebuyer Credit Account Look-up \(IRS.gov/HomeBuyer\)](https://www.irs.gov/HomeBuyer) tool provides information on your repayments and account balance.
- The [Sales Tax Deduction Calculator \(IRS.gov/SalesTax\)](https://www.irs.gov/SalesTax) figures the amount you can claim if you itemize deductions on Schedule A (Form 1040).



**Getting answers to your tax questions.** On [IRS.gov](https://www.irs.gov), you can get up-to-date information on current events and changes in tax law.

- [IRS.gov/Help](https://www.irs.gov/Help): A variety of tools to help you get answers to some of the most common tax questions.
- [IRS.gov/ITA](https://www.irs.gov/ITA): The Interactive Tax Assistant, a tool that will ask you questions and, based on your input, provide answers on a number of tax topics.
- [IRS.gov/Forms](https://www.irs.gov/Forms): Find forms, instructions, and publications. You will find details on the most recent tax changes and interactive links to help you find answers to your questions.

- You may also be able to access tax information in your e-filing software.

**Need someone to prepare your tax return?** There are various types of tax return preparers, including enrolled agents, certified public accountants (CPAs), accountants, and many others who don't have professional credentials. If you choose to have someone prepare your tax return, choose that preparer wisely. A paid tax preparer is:

- Primarily responsible for the overall substantive accuracy of your return,
- Required to sign the return, and
- Required to include their preparer tax identification number (PTIN).



*Although the tax preparer always signs the return, you're ultimately responsible for providing all the information required for the preparer to accurately prepare your return and for the accuracy of every item reported on the return. Anyone paid to prepare tax returns for others should have a thorough understanding of tax matters. For more information on how to choose a tax preparer, go to [Tips for Choosing a Tax Preparer](#) on IRS.gov.*

**Employers can register to use Business Services Online.** The Social Security Administration (SSA) offers online service at [SSA.gov/employer](#) for fast, free, and secure W-2 filing options to CPAs, accountants, enrolled agents, and individuals who process Form W-2, Wage and Tax Statement, and Form W-2c, Corrected Wage and Tax Statement.

**IRS social media.** Go to [IRS.gov/SocialMedia](#) to see the various social media tools the IRS uses to share the latest information on tax changes, scam alerts, initiatives, products, and services. At the IRS, privacy and security are our highest priority. We use these tools to share public information with you. **Don't** post your social security number (SSN) or other confidential information on social media sites. Always protect your identity when using any social networking site.

The following IRS YouTube channels provide short, informative videos on various tax-related topics in English, Spanish, and ASL.

- [Youtube.com/irsvideos](#).
- [Youtube.com/irsvideosmultilingua](#).
- [Youtube.com/irsvideosASL](#).

**Watching IRS videos.** The IRS Video portal ([IRSVideos.gov](#)) contains video and audio presentations for individuals, small businesses, and tax professionals.

**Online tax information in other languages.** You can find information on [IRS.gov/MyLanguage](#) if English isn't your native language.

**Free Over-the-Phone Interpreter (OPI) Service.** The IRS is committed to serving taxpayers with limited-English proficiency (LEP) by offering OPI services. The OPI Service

is a federally funded program and is available at Taxpayer Assistance Centers (TACs), most IRS offices, and every VITA/TCE tax return site. The OPI Service is accessible in more than 350 languages.

**Accessibility Helpline available for taxpayers with disabilities.** Taxpayers who need information about accessibility services can call 833-690-0598. The Accessibility Helpline can answer questions related to current and future accessibility products and services available in alternative media formats (for example, braille, large print, audio, etc.). The Accessibility Helpline does not have access to your IRS account. For help with tax law, refunds, or account-related issues, go to [IRS.gov/LetUsHelp](#).

**Note.** Form 9000, Alternative Media Preference, or Form 9000(SP) allows you to elect to receive certain types of written correspondence in the following formats.

- Standard Print.
- Large Print.
- Braille.
- Audio (MP3).
- Plain Text File (TXT).
- Braille Ready File (BRF).

**Disasters.** Go to [IRS.gov/DisasterRelief](#) to review the available disaster tax relief.

**Getting tax forms and publications.** Go to [IRS.gov/Forms](#) to view, download, or print all the forms, instructions, and publications you may need. Or, you can go to [IRS.gov/OrderForms](#) to place an order.

**Getting tax publications and instructions in eBook format.** Download and view most tax publications and instructions (including the Instructions for Form 1040) on mobile devices as eBooks at [IRS.gov/eBooks](#).

IRS eBooks have been tested using Apple's iBooks for iPad. Our eBooks haven't been tested on other dedicated eBook readers, and eBook functionality may not operate as intended.

**Access your online account (individual taxpayers only).** Go to [IRS.gov/Account](#) to securely access information about your federal tax account.

- View the amount you owe and a breakdown by tax year.
- See payment plan details or apply for a new payment plan.
- Make a payment or view 5 years of payment history and any pending or scheduled payments.
- Access your tax records, including key data from your most recent tax return, and transcripts.
- View digital copies of select notices from the IRS.
- Approve or reject authorization requests from tax professionals.

- View your address on file or manage your communication preferences.

**Get a transcript of your return.** With an online account, you can access a variety of information to help you during the filing season. You can get a transcript, review your most recently filed tax return, and get your adjusted gross income. Create or access your online account at [IRS.gov/Account](https://www.irs.gov/Account).

**Tax Pro Account.** This tool lets your tax professional submit an authorization request to access your individual taxpayer IRS online account. For more information, go to [IRS.gov/TaxProAccount](https://www.irs.gov/TaxProAccount).

**Using direct deposit.** The safest and easiest way to receive a tax refund is to e-file and choose direct deposit, which securely and electronically transfers your refund directly into your financial account. Direct deposit also avoids the possibility that your check could be lost, stolen, destroyed, or returned undeliverable to the IRS. Eight in 10 taxpayers use direct deposit to receive their refunds. If you don't have a bank account, go to [IRS.gov/DirectDeposit](https://www.irs.gov/DirectDeposit) for more information on where to find a bank or credit union that can open an account online.

### Reporting and resolving your tax-related identity theft issues.

- Tax-related identity theft happens when someone steals your personal information to commit tax fraud. Your taxes can be affected if your SSN is used to file a fraudulent return or to claim a refund or credit.
- The IRS doesn't initiate contact with taxpayers by email, text messages (including shortened links), telephone calls, or social media channels to request or verify personal or financial information. This includes requests for personal identification numbers (PINs), passwords, or similar information for credit cards, banks, or other financial accounts.
- Go to [IRS.gov/IdentityTheft](https://www.irs.gov/IdentityTheft), the IRS Identity Theft Central webpage, for information on identity theft and data security protection for taxpayers, tax professionals, and businesses. If your SSN has been lost or stolen or you suspect you're a victim of tax-related identity theft, you can learn what steps you should take.
- Get an Identity Protection PIN (IP PIN). IP PINs are six-digit numbers assigned to taxpayers to help prevent the misuse of their SSNs on fraudulent federal income tax returns. When you have an IP PIN, it prevents someone else from filing a tax return with your SSN. To learn more, go to [IRS.gov/IPPIN](https://www.irs.gov/IPPIN).

### Ways to check on the status of your refund.

- Go to [IRS.gov/Refunds](https://www.irs.gov/Refunds).
- Download the official IRS2Go app to your mobile device to check your refund status.
- Call the automated refund hotline at 800-829-1954.



*The IRS can't issue refunds before mid-February for returns that claimed the EIC or the additional child tax credit (ACTC). This applies to the entire refund, not just the portion associated with these credits.*

**Making a tax payment.** Payments of U.S. tax must be remitted to the IRS in U.S. dollars. [Digital assets](https://www.irs.gov/DigitalAssets) are **not** accepted. Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for information on how to make a payment using any of the following options.

- [IRS Direct Pay](https://www.irs.gov/DirectPay): Pay your individual tax bill or estimated tax payment directly from your checking or savings account at no cost to you.
- [Debit Card, Credit Card, or Digital Wallet](https://www.irs.gov/DebitCard): Choose an approved payment processor to pay online or by phone.
- [Electronic Funds Withdrawal](https://www.irs.gov/ElectronicFundsWithdrawal): Schedule a payment when filing your federal taxes using tax return preparation software or through a tax professional.
- [Electronic Federal Tax Payment System](https://www.irs.gov/ElectronicFederalTaxPaymentSystem): Best option for businesses. Enrollment is required.
- [Check or Money Order](https://www.irs.gov/CheckOrMoneyOrder): Mail your payment to the address listed on the notice or instructions.
- [Cash](https://www.irs.gov/Cash): You may be able to pay your taxes with cash at a participating retail store.
- [Same-Day Wire](https://www.irs.gov/SameDayWire): You may be able to do same-day wire from your financial institution. Contact your financial institution for availability, cost, and time frames.

**Note.** The IRS uses the latest encryption technology to ensure that the electronic payments you make online, by phone, or from a mobile device using the IRS2Go app are safe and secure. Paying electronically is quick, easy, and faster than mailing in a check or money order.

**What if I can't pay now?** Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for more information about your options.

- Apply for an [online payment agreement \(IRS.gov/OPA\)](https://www.irs.gov/OPA) to meet your tax obligation in monthly installments if you can't pay your taxes in full today. Once you complete the online process, you will receive immediate notification of whether your agreement has been approved.
- Use the [Offer in Compromise Pre-Qualifier](https://www.irs.gov/OIC) to see if you can settle your tax debt for less than the full amount you owe. For more information on the Offer in Compromise program, go to [IRS.gov/OIC](https://www.irs.gov/OIC).

**Filing Amended Returns.** Go to [IRS.gov/Form1040X](https://www.irs.gov/Form1040X) for information and updates.

**Checking the status of your amended return.** Go to [IRS.gov/WMAR](https://www.irs.gov/WMAR) to track the status of Form 1040-X, Amended U.S. Individual Income Tax Return.



*It can take up to 3 weeks from the date you filed your amended return for it to show up in our system, and processing it can take up to 16 weeks.*



**Understanding an IRS notice or letter you've received.** Go to [IRS.gov/Notices](https://www.irs.gov/Notices) to find additional information about responding to an IRS notice or letter.

**Responding to an IRS notice or letter.** You can now upload responses to all notices and letters using the Document Upload Tool. For notices that require additional action, taxpayers will be redirected appropriately on IRS.gov to take further action. To learn more about the tool, go to [IRS.gov/Upload](https://www.irs.gov/Upload).

**Note.** You can use Schedule LEP (Form 1040), Request for Change in Language Preference, to state a preference to receive notices, letters, or other written communications from the IRS in an alternative language. You may not immediately receive written communications in the requested language. The IRS's commitment to LEP taxpayers is part of a multi-year timeline that began providing translations in 2023. You will continue to receive communications, including notices and letters, in English until they are translated to your preferred language.

**Contacting your local TAC.** Keep in mind, many questions can be answered on IRS.gov without visiting a TAC. Go to [IRS.gov/LetUsHelp](https://www.irs.gov/LetUsHelp) for the topics people ask about most. If you still need help, TACs provide tax help when a tax issue can't be handled online or by phone. All TACs now provide service by appointment, so you'll know in advance that you can get the service you need without long wait times. Before you visit, go to [IRS.gov/TACLocator](https://www.irs.gov/TACLocator) to find the nearest TAC and to check hours, available services, and appointment options. Or, on the IRS2Go app, under the Stay Connected tab, choose the Contact Us option and click on "Local Offices."

## The Taxpayer Advocate Service (TAS) Is Here To Help You

### What Is TAS?

TAS is an *independent* organization within the IRS that helps taxpayers and protects taxpayer rights. TAS strives to ensure that every taxpayer is treated fairly and that you know and understand your rights under the [Taxpayer Bill of Rights](https://www.irs.gov/advocate).

### How Can You Learn About Your Taxpayer Rights?

The Taxpayer Bill of Rights describes 10 basic rights that all taxpayers have when dealing with the IRS. Go to [TaxpayerAdvocate.IRS.gov](https://www.irs.gov/advocate) to help you understand what these rights mean to you and how they apply. These are *your* rights. Know them. Use them.

### What Can TAS Do for You?

TAS can help you resolve problems that you can't resolve with the IRS. And their service is free. If you qualify for their assistance, you will be assigned to one advocate who will work with you throughout the process and will do

everything possible to resolve your issue. TAS can help you if:

- Your problem is causing financial difficulty for you, your family, or your business;
- You face (or your business is facing) an immediate threat of adverse action; or
- You've tried repeatedly to contact the IRS but no one has responded, or the IRS hasn't responded by the date promised.

### How Can You Reach TAS?

TAS has offices *in every state, the District of Columbia, and Puerto Rico*. To find your advocate's number:

- Go to [TaxpayerAdvocate.IRS.gov/Contact-Us](https://www.irs.gov/advocate);
- Download Pub. 1546, The Taxpayer Advocate Service Is Your Voice at the IRS, available at [IRS.gov/pub/irs-pdf/p1546.pdf](https://www.irs.gov/pub/irs-pdf/p1546.pdf);
- Call the IRS toll free at 800-TAX-FORM (800-829-3676) to order a copy of Pub. 1546;
- Check your local directory; or
- Call TAS toll free at 877-777-4778.

### How Else Does TAS Help Taxpayers?

TAS works to resolve large-scale problems that affect many taxpayers. If you know of one of these broad issues, report it to TAS at [IRS.gov/SAMS](https://www.irs.gov/SAMS). Be sure to not include any personal taxpayer information.

### Low Income Taxpayer Clinics (LITCs)

LITCs are independent from the IRS and TAS. LITCs represent individuals whose income is below a certain level and who need to resolve tax problems with the IRS. LITCs can represent taxpayers in audits, appeals, and tax collection disputes before the IRS and in court. In addition, LITCs can provide information about taxpayer rights and responsibilities in different languages for individuals who speak English as a second language. Services are offered for free or a small fee. For more information or to find an LITC near you, go to the LITC page at [TaxpayerAdvocate.IRS.gov/LITC](https://www.irs.gov/advocate) or see IRS Pub. 4134, *Low Income Taxpayer Clinic List*, at [IRS.gov/pub/irs-pdf/p4134.pdf](https://www.irs.gov/pub/irs-pdf/p4134.pdf).

### Taxpayer Assistance Outside the United States



If you are outside the United States, you can call 267-941-1000 (English-speaking only). This number is not toll free.



If you wish to write instead of calling, address your letter to:

Internal Revenue Service  
International Accounts  
Philadelphia, PA 19255-0725  
U.S.A.

Your call will be automatically routed to Hawaii or Puerto Rico depending on your location. If you select Spanish, your call will be routed to the Puerto Rico office for assistance. You can contact the Taxpayer Advocate at:

Internal Revenue Service  
Taxpayer Advocate Service  
City View Plaza, 48 Carr 165,  
Guaynabo, P.R. 00968-8000

Additional contacts for taxpayers who live outside the United States are available at [IRS.gov/uac/Contact-My-Local-Office-Internationally](https://www.irs.gov/uac/Contact-My-Local-Office-Internationally).

You can call TAS toll free at 877-777-4778. For more information on TAS and contacts if you are outside of the United States, go to [TaxpayerAdvocate.IRS.gov/Get-Help/International/](https://www.irs.gov/Get-Help/International/).

**Taxpayer Advocate Service (TAS).** If you live outside the United States, you can call TAS at +1.15.56.46.827.

## Index



To help us develop a more useful index, please let us know if you have ideas for index entries. See "Comments and Suggestions" in the "Introduction" for the ways you can reach us.

### A

Allowances [4](#)  
American Institute in Taiwan [5](#)  
Assistance (See Tax help)  
Away from home [6](#)

### B

Business expenses, how to report [8](#)

### C

Combat zone [1](#)  
Commuting expenses [7](#)  
Contributions [9](#)  
Cost-of-living allowances [5](#)  
Credit for foreign taxes [10](#)

### D

Danger pay (See Pay differentials)  
Death due to terrorist action [1](#)  
Deduction for foreign taxes [10](#)  
Differential pay [4](#)

### E

Entertainment expenses [6](#)  
Extension of time to file return [2](#)

### F

Federal court employees [5](#)  
Federal crime investigations [6](#)  
Filing information [2](#)  
Foreign areas allowances [4](#)  
Foreign bank accounts [3](#)

### Foreign earned income and housing exclusions [3](#)

Foreign income [3](#)  
Foreign taxes [10](#)

#### Forms:

1116 [10](#)  
3903 [9](#)  
FinCEN 114 [3](#)

### H

Home leave [7](#)  
Home mortgage interest [9](#)  
Home, sale of [6](#)

### I

Interest on home mortgage [9](#)  
International organization, U.S. reemployment after serving with [5](#)

#### Itemized deductions:

Contributions [9](#)  
Home mortgage interest [9](#)  
Real estate tax [9](#)

### L

Lodging [5](#)

### M

Meal expenses [6](#)  
Mortgage interest [9](#)  
Moving expenses [8, 9](#)

### P

Pay differentials [4](#)

### Peace Corps volunteers [5](#)

### Personal property, sale of [6](#)

Post differentials (See Pay differentials)

Post exchanges [4](#)

Principal representative [5](#)

Proving expenses [8](#)

Publications (See Tax help)

### R

Real estate tax [9](#)  
Recordkeeping, business expenses [8](#)

Reemployed by federal agency [5](#)

#### Reporting:

Business expenses [8](#)  
Moving expenses [8, 9](#)

### S

Sale of home [6](#)  
Sale of personal property [6](#)

### T

Taiwan, American Institute in [5](#)  
Tax credit for foreign taxes [10](#)  
Tax help [11](#)  
Temporary assignment [6](#)  
Terrorist action [1](#)  
Transportation expenses [7](#)  
Travel expenses [6](#)

### W

When to file return [2](#)