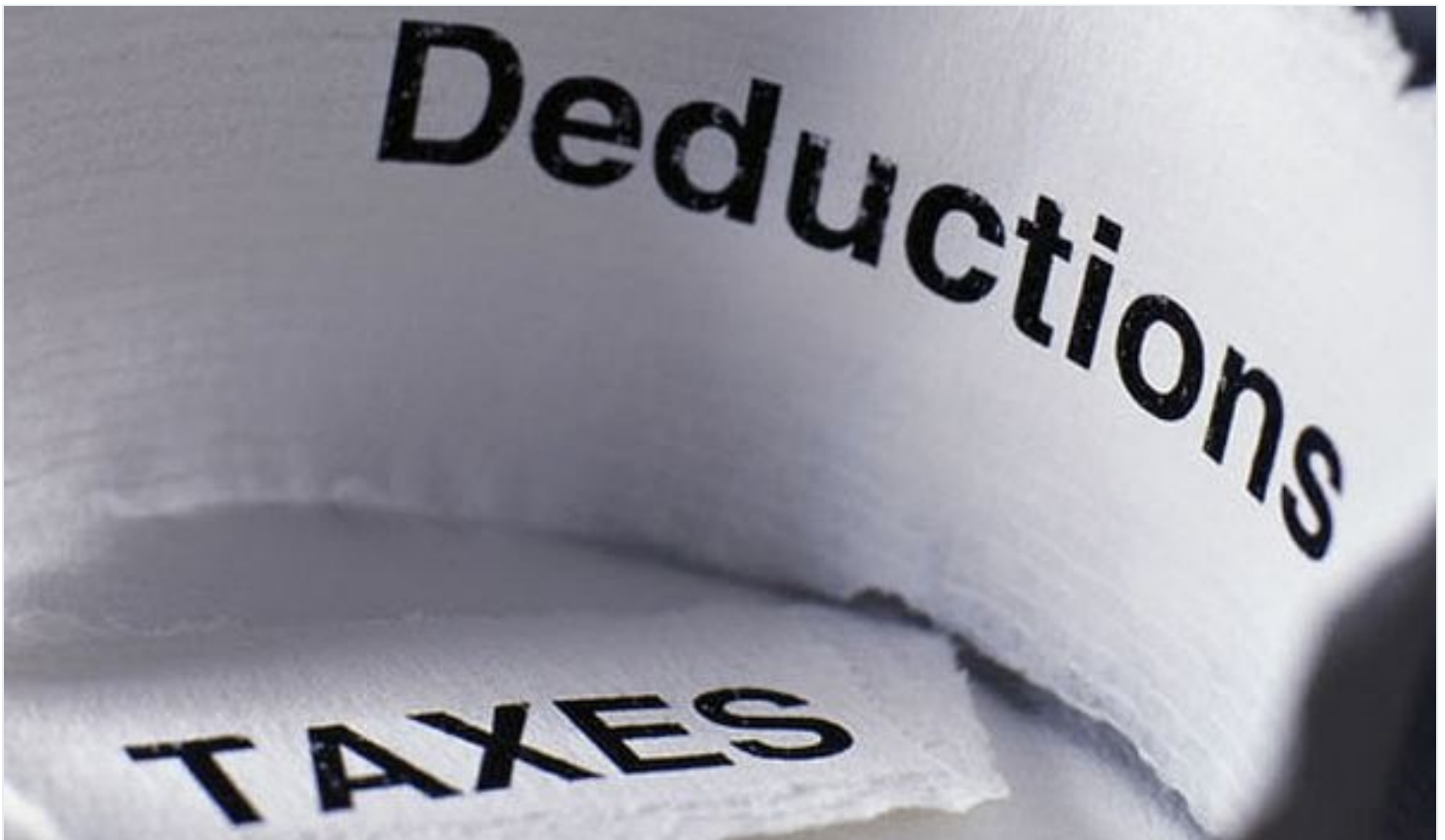


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write off the cost of his pet care on Schedule C because he took his dog to work with him every day, so it was considered a work-related expense."

Mar. 30, 2016



Working in the tax field is not for the faint of heart. This time of year, your tax professional is not only working night and day to find all the credits and deduction you deserve, but dealing with a lot of clients who have inflated ideas of what is legitimately deductible.

The National Association of Enrolled Agents ([NAEA](#)), an organization comprised by tax experts who are tested and licensed by the IRS, collected these “would-be” deductions from the experiences of its members.

“I had a taxpayer trying to amortize his education expenses for Harvard Business

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him every day, so it was considered a work-related expense. He does direct sales of health products!”

Another client “...wanted to deduct the cost of boarding her pets when she had to travel for business purposes.” NAEA members report that trying to claim pets as dependents was done regularly on tax returns until the IRS required Social Security numbers for dependents.

Another popular area is beauty. “I have run into multiple flight attendants who are convinced they can take huge deductions for their hair dressers, manicures and pedicure because they are ‘required for the job,’ so they must deductible.”

- “Oh, the guy this year with \$6,000 in medical. Derrière augmentation!”
- “A client wanted to deduct his toupee. He was in sales and said that it helped give him the confidence to make the sales.”
- “I had a client who wanted to take her ‘facials’ and ‘cleansings’ at the spa as Professional Development.”
- Then there was the truly absurd: “A DJ that wanted to deduct his bed linens because ‘entertaining the ladies’ is part of his job.”

Then there are some deductions that most self-preparers miss: “The Retirement Savers Credit is one of the most overlooked items I see on self-prepared returns. Between reducing taxable income and getting a \$1,000 tax credit, one of my clients saved \$1,628 in federal and state income tax by making a \$3,000 deductible IRA contribution. That’s a 54% return on his money!”

“In states without income taxes, you can take a deduction for sales tax paid. Self prepared returns almost always miss that.”

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