



# FEDERATION OF AMERICAN CONSUMERS AND TRAVELERS - NEWS RELEASE -

FOR IMMEDIATE RELEASE

## IRS Tax Rules for Job Seekers

EDWARDSVILLE, IL, July 31, 2009 - Many taxpayers spend time during the summer months polishing their résumé and attending career fairs. If you are searching for a job this summer, you may be able to deduct some of your expenses on your tax return.

Here are the top six things the IRS wants you to know about deducting costs related to your job search:

- In order to deduct job search costs, the expenses must be spent on a job search in your current occupation. You may not deduct expenses incurred while looking for a job in a new occupation.
- You can deduct employment and outplacement agency fees you pay while looking for a job in your present occupation. If your employer pays you back in a later year for employment agency fees, you must include the amount you receive in your gross income up to the amount of your tax benefit in the earlier year.
- You can deduct amounts you spend for preparing and mailing copies of a résumé to prospective employers as long as you are looking for a new job in your present occupation.
- 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. The amount of time you spend on personal activity compared to the amount of time you spend looking for work is important in determining whether the trip is primarily personal or is primarily to look for a new job.
- You cannot deduct job search expenses if there was a substantial break between the end of your last job and the time you begin looking for a new one.
- You cannot deduct job search expenses if you are looking for a job for the first time.

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This news release is issued as a service of the Federation of American Consumers and Travelers (FACT). FACT was formed under the not-for-profit corporation laws of the District of Columbia in 1984, and currently serves more than 1 million consumers nationwide. Additional information on FACT may be found in the *Encyclopedia of Associations*, and by visiting the association's Web site ([www.usafact.org](http://www.usafact.org)). Informative, unbiased news bulletins are regularly disseminated by FACT to help its members remain current on matters which might seriously impact their lives. In addition to publishing consumer-related reports, the association provides more than 30 benefits for its members, ranging from [medical insurance](#) and [dental discounts](#) to [prescription drug savings](#), [scholarships](#) and [consumer information](#). FACT's administrative office is located at 318 Hillsboro Avenue, Edwardsville, IL 62025.