

# Moving Expenses

▶ Attach to Form 1040.

Name(s) shown on Form 1040

Your social security number

**Caution:** *If you are a member of the armed forces, see the instructions before completing this form.*

- |  |          |       |
|--|----------|-------|
| 1 Enter the number of miles from your <b>old home</b> to your <b>new workplace</b> . . . . . | <b>1</b> | miles |
| 2 Enter the number of miles from your <b>old home</b> to your <b>old workplace</b> . . . . . | <b>2</b> | miles |
| 3 Subtract line 2 from line 1. Enter the result but not less than zero . . . . .             | <b>3</b> | miles |

**Is line 3 at least 50 miles?**

**Yes.** Go to line 4. Also, see **Time Test** in the instructions.

**No.** You **cannot** deduct your moving expenses. Do not complete the rest of this form.

- |   |          |  |
|---|----------|--|
| 4 Transportation and storage of household goods and personal effects (see instructions) . . . . .   | <b>4</b> |  |
| 5 Travel and lodging expenses of moving from your old home to your new home. <b>Do not</b> include meals (see instructions) . . . . .   | <b>5</b> |  |
| 6 Add lines 4 and 5 . . . . .   | <b>6</b> |  |
| 7 Enter the total amount your employer paid for your move (including the value of services furnished in kind) that is <b>not</b> included in the wages box (box 1) of your W-2 form. This amount should be identified with code <b>P</b> in box 13 of your W-2 form . . . . . | <b>7</b> |  |

**Is line 6 more than line 7?**

**Yes.** Go to line 8.

**No.** You **cannot** deduct your moving expenses. If line 6 is less than line 7, subtract line 6 from line 7 and include the result in income on Form 1040, line 7.

- |  |          |  |
|--|----------|--|
| 8 Subtract line 7 from line 6. Enter the result here and on Form 1040, line 25. This is your <b>moving expense deduction</b> . . . . . | <b>8</b> |  |
|--|----------|--|

## General Instructions

### Purpose of Form

Use Form 3903 to figure your moving expense deduction if you moved to a new principal place of work (workplace) within the United States or its possessions. If you qualify to deduct expenses for more than one move, use a separate Form 3903 for each move.

For more details, see **Pub. 521**, Moving Expenses.

**Note:** Use **Form 3903-F**, *Foreign Moving Expenses*, instead of this form if you are a U.S. citizen or resident alien who moved to a new principal workplace outside the United States or its possessions.

### Another Form You May Have To File

If you sold your main home in 1997, you must file **Form 2119**, Sale of Your Home, to report the sale.

### Who May Deduct Moving Expenses

If you moved to a different home because of a change in job location, you may be able to deduct your moving expenses. You may be able to take the deduction whether you are self-employed or an employee. But you must meet certain tests explained next.

#### Distance Test

Your new principal workplace must be at least 50 miles farther from your old home than your old workplace was. For example,

if your old workplace was 3 miles from your old home, your new workplace must be at least 53 miles from that home. If you did not have an old workplace, your new workplace must be at least 50 miles from your old home. The distance between the two points is the shortest of the more commonly traveled routes between them.

#### Time Test

If you are an employee, you must work full time in the general area of your new workplace for at least 39 weeks during the 12 months right after you move. If you are self-employed, you must work full time in the general area of your new workplace for at least 39 weeks during the first 12 months and a total of at least 78 weeks during the 24 months right after you move.

You may deduct your moving expenses even if you have not met the time test before your return is due. You may do this

if you expect to meet the 39-week test by the end of 1998 or the 78-week test by the end of 1999. If you deduct your moving expenses on your 1997 return but do not meet the time test, you will have to either:

- Amend your 1997 tax return by filing **Form 1040X**, Amended U.S. Individual Income Tax Return, or
- Report the amount of your 1997 moving expense deduction that reduced your 1997 income tax as income in the year you cannot meet the test. For more details, see **Time Test** in Pub. 521.

If you do not deduct your moving expenses on your 1997 return and you later meet the time test, you may take the deduction by filing an amended return for 1997. To do this, use Form 1040X.

**Exceptions to the Time Test.** The time test does not have to be met if any of the following apply:

- Your job ends because of disability.
- You are transferred for your employer's benefit.
- You are laid off or discharged for a reason other than willful misconduct.
- You meet the requirements (explained later) for retirees or survivors living outside the United States.
- You are filing this form for a decedent.

### Members of the Armed Forces

If you are in the armed forces, you do not have to meet the **distance and time tests** if the move is due to a permanent change of station. A permanent change of station includes a move in connection with and within 1 year of retirement or other termination of active duty.

### How To Complete the Form

First, complete lines 4 through 6 using your actual expenses. **Do not** reduce your expenses by any reimbursements or allowances you received from the government in connection with the move. Also, do not include any expenses for moving services that were provided by the government. If you and your spouse and dependents are moved to or from different locations, treat the moves as a single move.

Next, enter on line 7 the total reimbursements and allowances you received from the government in connection with the expenses you claimed on lines 4 and 5. **Do not** include the value of moving services provided by the government. Then, complete line 8 if applicable.

## Retirees or Survivors Living Outside the United States

If you are a retiree or survivor who moved to a home in the United States or its possessions and you meet the following requirements, you are treated as if you moved to a new workplace located in the United States. You are subject to the distance test. Use this form instead of Form 3903-F to figure your moving expense deduction.

### Retirees

You may deduct moving expenses for a move to a new home in the United States when you actually retire if both your old principal workplace and your old home were outside the United States.

### Survivors

You may deduct moving expenses for a move to a home in the United States if you are the spouse or dependent of a person whose principal workplace at the time of death was outside the United States. In addition, the expenses must be for a move **(1)** that begins within 6 months after the decedent's death, and **(2)** from a former home outside the United States that you lived in with the decedent at the time of death.

## Reimbursements

If your employer paid for any part of your move, your employer must give you a statement showing a detailed breakdown of reimbursements or payments for moving expenses. Employers may use **Form 4782**, Employee Moving Expense Information, or their own form.

You may choose to deduct moving expenses in the year you are reimbursed by your employer, even though you paid the expenses in a different year. However, special rules apply. See **How To Report** in Pub. 521.

## Specific Instructions

You may deduct the following expenses you incurred in moving your family and dependent household members. Do not deduct expenses for employees such as a maid, nanny, or nurse.

### Line 4

Enter the actual cost to pack, crate, and move your household goods and personal effects. You may also include the cost to store and insure household goods and personal effects within any period of 30 days in a row after the items were moved from your old home and before they were delivered to your new home.

## Line 5

Enter the costs of travel from your old home to your new home. These include transportation and lodging on the way. Include costs for the day you arrive. Although not all the members of your household have to travel together or at the same time, you may only include expenses for one trip per person.

If you use your own car(s), you may figure the expenses by using either:

- Actual out-of-pocket expenses for gas and oil, or
- Mileage at the rate of 10 cents a mile.

You may add parking fees and tolls to the amount claimed under either method. Keep records to verify your expenses.

**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Internal Revenue Code section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

<b>Recordkeeping</b> . . . . .	33 min.
<b>Learning about the law or the form</b> . . . . .	7 min.
<b>Preparing the form</b> . . . . .	13 min.
<b>Copying, assembling, and sending the form to the IRS</b> . . . . .	20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the Instructions for Form 1040.

