

“(7) TREATMENT OF AMOUNTS PAID FROM QUALIFIED REFINANCING-RELATED RESERVE.—

“(A) IN GENERAL.—With respect to any payment from a qualified refinancing-related reserve out of amounts excluded from gross income by reason of paragraph (1)—

“(i) no deduction shall be allowed under chapter 1 of such Code, and

“(ii) the basis of any property acquired with such payment (determined without regard to this subparagraph) shall be reduced by the amount of such payment.

“(B) ORDERING RULES.—For purposes of subparagraph (A), payments from a reserve shall be treated as being made—

“(i) first from amounts excluded from gross income by reason of paragraph (1) to the extent thereof, and

“(ii) then from other amounts in the reserve.”

## § 217. Moving expenses

### (a) Deduction allowed

There shall be allowed as a deduction moving expenses paid or incurred during the taxable year in connection with the commencement of work by the taxpayer as an employee or as a self-employed individual at a new principal place of work.

### (b) Definition of moving expenses

#### (1) In general

For purposes of this section, the term “moving expenses” means only the reasonable expenses—

(A) of moving household goods and personal effects from the former residence to the new residence, and

(B) of traveling (including lodging) from the former residence to the new place of residence.

Such term shall not include any expenses for meals.

#### (2) Individuals other than taxpayer

In the case of any individual other than the taxpayer, expenses referred to in paragraph (1) shall be taken into account only if such individual has both the former residence and the new residence as his principal place of abode and is a member of the taxpayer’s household.

### (c) Conditions for allowance

No deduction shall be allowed under this section unless—

(1) the taxpayer’s new principal place of work—

(A) is at least 50 miles farther from his former residence than was his former principal place of work, or

(B) if he had no former principal place of work, is at least 50 miles from his former residence, and

(2) either—

(A) during the 12-month period immediately following his arrival in the general location of his new principal place of work, the taxpayer is a full-time employee, in such general location, during at least 39 weeks, or

(B) during the 24-month period immediately following his arrival in the general location of his new principal place of work, the taxpayer is a full-time employee or per-

forms services as a self-employed individual on a full-time basis, in such general location, during at least 78 weeks, of which not less than 39 weeks are during the 12-month period referred to in subparagraph (A).

For purposes of paragraph (1), the distance between two points shall be the shortest of the more commonly traveled routes between such two points.

### (d) Rules for application of subsection (c)(2)

(1) The condition of subsection (c)(2) shall not apply if the taxpayer is unable to satisfy such condition by reason of—

(A) death or disability, or

(B) involuntary separation (other than for willful misconduct) from the service of, or transfer for the benefit of, an employer after obtaining full-time employment in which the taxpayer could reasonably have been expected to satisfy such condition.

(2) If a taxpayer has not satisfied the condition of subsection (c)(2) before the time prescribed by law (including extensions thereof) for filing the return for the taxable year during which he paid or incurred moving expenses which would otherwise be deductible under this section, but may still satisfy such condition, then such expenses may (at the election of the taxpayer) be deducted for such taxable year notwithstanding subsection (c)(2).

(3) If—

(A) for any taxable year moving expenses have been deducted in accordance with the rule provided in paragraph (2), and

(B) the condition of subsection (c)(2) cannot be satisfied at the close of a subsequent taxable year,

then an amount equal to the expenses which were so deducted shall be included in gross income for the first such subsequent taxable year.

**[(e) Repealed. Pub. L. 103-66, title XIII, § 13213(a)(2)(A), Aug. 10, 1993, 107 Stat. 473]**

### (f) Self-employed individual

For purposes of this section, the term “self-employed individual” means an individual who performs personal services—

(1) as the owner of the entire interest in an unincorporated trade or business, or

(2) as a partner in a partnership carrying on a trade or business.

### (g) Rules for members of the Armed Forces of the United States

In the case of a member of the Armed Forces of the United States on active duty who moves pursuant to a military order and incident to a permanent change of station—

(1) the limitations under subsection (c) shall not apply;

(2) any moving and storage expenses which are furnished in kind (or for which reimbursement or an allowance is provided, but only to the extent of the expenses paid or incurred) to such member, his spouse, or his dependents, shall not be includible in gross income, and no reporting with respect to such expenses shall be required by the Secretary of Defense or the

Secretary of Transportation, as the case may be; and

(3) if moving and storage expenses are furnished in kind (or if reimbursement or an allowance for such expenses is provided) to such member's spouse and his dependents with regard to moving to a location other than the one to which such member moves (or from a location other than the one from which such member moves), this section shall apply with respect to the moving expenses of his spouse and dependents—

(A) as if his spouse commenced work as an employee at a new principal place of work at such location; and

(B) without regard to the limitations under subsection (c).

**(h) Special rules for foreign moves**

**(1) Allowance of certain storage fees**

In the case of a foreign move, for purposes of this section, the moving expenses described in subsection (b)(1)(A) include the reasonable expenses—

(A) of moving household goods and personal effects to and from storage, and

(B) of storing such goods and effects for part or all of the period during which the new place of work continues to be the taxpayer's principal place of work.

**(2) Foreign move**

For purposes of this subsection, the term "foreign move" means the commencement of work by the taxpayer at a new principal place of work located outside the United States.

**(3) United States defined**

For purposes of this subsection and subsection (i), the term "United States" includes the possessions of the United States.

**(i) Allowance of deductions in case of retirees or decedents who were working abroad**

**(1) In general**

In the case of any qualified retiree moving expenses or qualified survivor moving expenses—

(A) this section (other than subsection (h)) shall be applied with respect to such expenses as if they were incurred in connection with the commencement of work by the taxpayer as an employee at a new principal place of work located within the United States, and

(B) the limitations of subsection (c)(2) shall not apply.

**(2) Qualified retiree moving expenses**

For purposes of paragraph (1), the term "qualified retiree moving expenses" means any moving expenses—

(A) which are incurred by an individual whose former principal place of work and former residence were outside the United States, and

(B) which are incurred for a move to a new residence in the United States in connection with the bona fide retirement of the individual.

**(3) Qualified survivor moving expenses**

For purposes of paragraph (1), the term "qualified survivor moving expenses" means moving expenses—

(A) which are paid or incurred by the spouse or any dependent of any decedent who (as of the time of his death) had a principal place of work outside the United States, and

(B) which are incurred for a move which begins within 6 months after the death of such decedent and which is to a residence in the United States from a former residence outside the United States which (as of the time of the decedent's death) was the residence of such decedent and the individual paying or incurring the expense.

**(j) Regulations**

The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.

**(k) Suspension of deduction for taxable years 2018 through 2025**

Except in the case of an individual to whom subsection (g) applies, this section shall not apply to any taxable year beginning after December 31, 2017, and before January 1, 2026.

(Added Pub. L. 88-272, title II, § 213(a)(1), Feb. 26, 1964, 78 Stat. 50; amended Pub. L. 91-172, title II, § 231(a), Dec. 30, 1969, 83 Stat. 577; Pub. L. 94-455, title V, § 506 (a)-(c), title XIX, § 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1568, 1834; Pub. L. 95-615, title II, § 204, Nov. 8, 1978, 92 Stat. 3106; Pub. L. 103-66, title XIII, § 13213(a)(1)-(2)(D), (b), Aug. 10, 1993, 107 Stat. 473, 474; Pub. L. 115-97, title I, § 11049(a), Dec. 22, 2017, 131 Stat. 2088.)

PRIOR PROVISIONS

A prior section 217 was renumbered section 224 of this title.

AMENDMENTS

Subsec. (k). Pub. L. 115-97 added subsec. (k).

1993—Subsec. (b). Pub. L. 103-66, § 13213(a)(1), amended subsec. (b) generally, restating former par. (1)(A) and (B) as par. (1) and former par. (3)(C) as par. (2) and striking out former par. (1)(C) to (E) which included certain traveling, meals, lodging, and residence sale, purchase, and lease expenses in the term "moving expenses", par. (2) which defined "qualified residence sale, purchase, or lease expenses", and par. (3)(A) and (B) which placed dollar limits on the amount allowed to be deducted as moving expenses.

Subsec. (c)(1). Pub. L. 103-66, § 13213(b), substituted "50 miles" for "35 miles" in subpars. (A) and (B).

Subsec. (e). Pub. L. 103-66, § 13213(a)(2)(A), struck out heading and text of subsec. (e). Text read as follows: "The amount realized on the sale of the residence described in subparagraph (A) of subsection (b)(2) shall not be decreased by the amount of any expenses described in such subparagraph which are allowed as a deduction under subsection (a), and the basis of a residence described in subparagraph (B) of subsection (b)(2) shall not be increased by the amount of any expenses described in such subparagraph which are allowed as a deduction under subsection (a). This subsection shall not apply to any expenses with respect to which an amount is included in gross income under subsection (d)(3)."

Subsec. (f). Pub. L. 103-66, § 13213(a)(2)(B), amended heading and text of subsec. (f) generally. Prior to amendment, text read as follows:

"(1) DEFINITION.—For purposes of this section, the term 'self-employed individual' means an individual who performs personal services—

"(A) as the owner of the entire interest in an unincorporated trade or business, or

“(B) as a partner in a partnership carrying on a trade or business.

“(2) RULE FOR APPLICATION OF SUBSECTIONS (b)(1)(C) AND (D).—For purposes of subparagraphs (C) and (D) of subsection (b)(1), an individual who commences work at a new principal place of work as a self-employed individual shall be treated as having obtained employment when he has made substantial arrangements to commence such work.”

Subsec. (g)(3). Pub. L. 103-66, §13213(a)(2)(C), inserted “and” at end of subpar. (A), redesignated subpar. (C) as (B), and struck out former subpar. (B) which read as follows: “for purposes of subsection (b)(3), as if such place of work was within the same general location as the member’s new principal place of work, and”.

Subsec. (h). Pub. L. 103-66, §13213(a)(2)(D), redesignated pars. (2) to (4) as (1) to (3), respectively, and struck out heading and text of former par. (1). Text read as follows: “In the case of a foreign move—

“(A) subsection (b)(1)(D) shall be applied by substituting ‘90 consecutive days’ for ‘30 consecutive days’.

“(B) subsection (b)(3)(A) shall be applied by substituting ‘\$4,500’ for ‘\$1,500’ and by substituting ‘\$6,000’ for ‘\$3,000’, and

“(C) subsection (b)(3)(B) shall be applied as if the last sentence of such subsection read as follows: ‘In the case of a husband and wife filing separate returns, subparagraph (A) shall be applied by substituting “\$2,250” for “\$4,500”, and by substituting “\$3,000” for “\$6,000”.’”

1978—Subsecs. (h) to (j). Pub. L. 95-615 added subsecs. (h) and (i) and redesignated former subsec. (h) as (j).

1976—Subsec. (b)(3)(A). Pub. L. 94-455, §506(b)(1), (2), substituted “\$1,500” for “\$1,000” after “(1) shall not exceed” and “\$3,000” for “\$2,500” after “lease expenses shall not exceed”.

Subsec. (b)(3)(B). Pub. L. 94-455, §506(b)(3), substituted “\$750” for “\$1,500” for “\$500” for “\$1,000” after “applied by substituting” and “\$1,500” for “\$3,000” for “\$1,250” for “\$2,500” after “and by substituting”.

Subsec. (c)(1)(A), (B). Pub. L. 94-455, §506(a), substituted “35” for “50” after “at least”.

Subsecs. (g), (h). Pub. L. 94-455, §§506(c), 1906(b)(13)(A), added subsec. (g), redesignated former subsec. (g) as (h) and struck out “or his delegate” after “Secretary”.

1969—Pub. L. 91-172 substantially reenacted existing provisions and extended the coverage to self-employed persons working at the new location for 78 weeks, made it a requirement that the new principal place of work be located 50 miles from the former residence, and redefined the deduction to include costs of house-hunting trips, temporary living expenses prior to locating a new home, and expenses of selling an old home or buying a new one.

#### EFFECTIVE DATE OF 2017 AMENDMENT

Pub. L. 115-97, title I, §11049(b), Dec. 22, 2017, 131 Stat. 2089, provided that: “The amendment made by this section [amending this section] shall apply to taxable years beginning after December 31, 2017.”

#### EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 applicable to expenses incurred after Dec. 31, 1993, see section 13213(e) of Pub. L. 103-66 set out as a note under section 62 of this title.

#### EFFECTIVE DATE OF 1978 AMENDMENT; ELECTION OF PRIOR LAW

Amendment by Pub. L. 95-615 applicable to taxable years beginning after Dec. 31, 1977, with provision for election of prior law, see section 209 of Pub. L. 95-615, set out as an Effective Date of 1978 Amendment note under section 911 of this title.

#### EFFECTIVE DATE OF 1976 AMENDMENT

Pub. L. 94-455, title V, §506(d), Oct. 4, 1976, 90 Stat. 1569, provided that: “The amendments made by subsections (a) and (b) [amending this section] shall apply to taxable years beginning after December 31, 1976.”

#### EFFECTIVE DATE OF 1969 AMENDMENT

Pub. L. 91-172, title II, §231(d), Dec. 30, 1969, 83 Stat. 580, as amended by Pub. L. 91-642, §2, Dec. 31, 1970, 84 Stat. 1880; Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that: “The amendments made by this section [enacting section 82 of this title and amending this section and sections 1001 and 1016 of this title] shall apply to taxable years beginning after December 31, 1969, except that—

“(1) section 217 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (as amended by subsection (a)) shall not apply to any item to the extent that the taxpayer received or accrued reimbursement or other expense allowance for such item in a taxable year beginning on or before December 31, 1969, which was not included in his gross income; and

“(2) the amendments made by this section shall not apply (at the election of the taxpayer made at such time and manner as the Secretary of the Treasury or his delegate prescribes) with respect to moving expenses paid or incurred before January 1, 1971, in connection with the commencement of work by the taxpayer as an employee at a new principal place of work of which the taxpayer had been notified by his employer on or before December 19, 1969.”

#### EFFECTIVE DATE

Section applicable to expenses incurred after Dec. 31, 1963, in taxable years ending after such date, see section 213(d) of Pub. L. 88-272, set out as an Effective Date of 1964 Amendment note under section 62 of this title.

#### MOVING EXPENSES OF MEMBERS OF THE UNIFORMED SERVICES

Pub. L. 93-490, §2, Oct. 26, 1974, 88 Stat. 1466, authorized the Secretary of the Treasury, applicable with respect to taxable years ending before January 1, 1976, to:

(1) enter into an agreement with the Secretary concerned under which the Secretary concerned would not be required to withhold tax on, or to report, moving expense reimbursements made to members of the armed forces;

(2) permit any taxpayer who was a member of the armed forces not to include in adjusted gross income the amount of any reimbursement in kind of moving expenses made by the Secretary concerned; and

(3) permit any taxpayer who was a member of the armed forces to deduct any amount paid by him as moving expenses in connection with any move required by the Secretary concerned, in excess of any reimbursement received for such expenses, without regard to the provisions of subsec. (c) of this section, to the extent it was otherwise deductible under this section.

#### [§ 218. Repealed. Pub. L. 95-600, title I, § 113(a)(1), Nov. 6, 1978, 92 Stat. 2778]

Section, added Pub. L. 92-178, title VII, §702(a), Dec. 10, 1971, 85 Stat. 561; amended Pub. L. 93-625, §§11(d), 12(b), Jan. 3, 1975, 88 Stat. 2120; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834, related to contributions to candidates for public office.

A prior section 218 was renumbered section 224 of this title.

#### EFFECTIVE DATE OF REPEAL

Repeal effective with respect to contributions the payment of which is made after Dec. 31, 1978, in taxable years beginning after such date, see section 113(d) of Pub. L. 95-600, set out as an Effective Date of 1978 Amendment note under section 24 of this title.

#### § 219. Retirement savings

##### (a) Allowance of deduction

In the case of an individual, there shall be allowed as a deduction an amount equal to the