

Business meal, entertainment and travel deductibility checklist

Business meals

	Percent deductible			Comments
	100%	50%	0%	
Lavish and extravagant meal			■	
Meal with employee, business discussed		■		
Meal with employee, no business discussed			■	
Meal with customer, business discussed		■		
Meal with customer, no business discussed			■	
Meal with customer on a business trip, no business discussed:				
■ Customer's meal			■	
■ Your meal		■		
Meal for customer and spouse, no one else present			■	
Transportation to/from restaurant for business meal	■			
Dinner for employees working overtime (If deemed de minimis)		■		
Meal ordered in for staff meeting (If deemed de minimis)		■		
Meals provided at or near cost to employees at employer-operated cafeteria		■		50% deductible through 2025, 0% starting in 2026
Company holiday parties and picnic for employees	■			
Cost of meals provided to employees for convenience of employer on the premises		■		50% deductible through 2025, 0% starting in 2026
Meals taken while away from home (employees only)		■		Must meet IRS "away from home" rules
Snacks and beverages provided to employees on premises (if deemed de minimis)		■		50% deductible through 2025, 0% starting in 2026
Meals provided at board of directors business meeting		■		
Meals provided at entertainment facility if separately stated on invoice		■		For example: food and beverages consumed in a suite at a sporting facility are 50% deductible if separately stated/ invoiced

Entertainment

Transportation to/from sporting event	■			Parking at event: no deduction
Ticket price and scalper's premium for sporting event			■	
Cover charge, taxes and tips			■	
Country and luncheon club dues and fees			■	
Tickets for charitable fundraising sports event			■	If the ticket price exceeds the fair market value of the event, the charity should provide an acknowledgement that identifies the portion that's deductible as a charitable contribution
Charitable contribution in exchange for right to purchase tickets to sporting events			■	

Travel expenses

Transportation and lodging expenses for a business trip	■			Provided not lavish or extravagant
Transportation, lodging, and attendance expenses for investment seminar			■	No longer deductible on Schedule A
Travel for charitable purposes	■			Must be directly related to charitable purpose and individual taxpayer must itemize
Nonemployee spouse's travel costs			■	
Employee spouse's travel costs			■	

This chart is for general guidance only. It is not a substitute for consultation with your tax advisor. Deductibility of expenses requires careful consideration of the facts and law. This chart is based on the tax law in effect for the 2020 tax year. Wipfli LLP does not undertake any obligation to update the chart for subsequent changes to the law.