



PRO-DIEM, INC.

The Travel Expense Experts

Special Instructions for 1040X filers (Amending Previous

This is a special note to all filers of previous year's amendments.

Unfortunately, as many of you were unaware of this deduction neither are some of the IRS agents. These instructions should alleviate any problems an agent may have and help guide the agent to the proper revenue codes for verification of this deduction and how it is to be facilitated.

- Obtain form 1040X and follow the instructions. Basically, all you have to do is fill in the blanks copying from your previously filed tax return.
- Fill out Business Form 2106 for the year you are amending and attach it to Form 1040X. (Note: You can not use Form 2106EZ)
- Fill out Schedule A with corrected information and Attach to Form 1040X
- The most important section is part II of Form 1040X. In the explanation section a statement reflecting the reason for the change should be something like the following:

“Un-reimbursed employee business expenses including travel per diem meal and incidental expenses allowed by the IRS Revenue Procedure 2007-63 Section 7.05 not taken as itemized deduction on original return. Amended Schedule A and Form 2106 attached”

The most current Revenue Procedure is Rev. Proc. 2009-47. It is almost an exact copy of the previous year's revenue procedure. The big difference in them would be the samples of it application. Please note the following procedure numbers when referring to previous years. Section 7.05 remains basically the same for all years.

Revenue Procedure # 2008-59 for 2008	Revenue Procedure # 98-64 for 1999
Revenue Procedure # 2007-63 for 2007	Revenue Procedure # 97-59 for 1998
Revenue Procedure # 2006-41 for 2006	Revenue Procedure # 96-64 for 1997
Revenue Procedure # 2005-67 for 2005	Revenue Procedure # 96-28 for 1996
Revenue Procedure # 2004-60 for 2004	Revenue Procedure # 94-77 for 1995
Revenue Procedure # 2003-80 for 2003	Revenue Procedure # 94-77 for 1994
Revenue Procedure # 2002-63 for 2002	Revenue Procedure # 93-50 for 1993
Revenue Procedure # 2001-47 for 2001	Revenue Procedure # 92-17 for 1992
Revenue Procedure # 2000-39 for 2000	

Regarding the definition of Meal and Incidental Expenses please note the following:

According to the IRS, the most recent definition as published in the Revenue Procedures, Section 3.02(3) - (per Federal Travel Regulations, 41 C.F.R. 300-3) is as follows:

“Incidental expenses. The term “incidental expenses” has the same meaning as in the Federal Travel Regulations, 41 C.F.R. 300-3.1 (2006). Thus, based on the current definition of “incidental expenses” in the Federal Travel Regulations, “incidental expenses” means fees **and tips** given to porters, baggage carriers, bellhops, hotel maids, stewards or stewardesses and others on ships, and hotel servants in foreign countries; transportation between places of lodging or business and places where meals are taken, if suitable meals can be obtained at the temporary duty site; and the mailing cost associated with filing travel vouchers and payment of employer-sponsored charge card billings.”

Regarding the application of partial days: We automatically calculate your partial days correctly. Currently this is based $\frac{3}{4}$ days as per rules in the revenue procedures.

We recommend that you send a copy of our report with your amendment so the IRS will have no question as to how your Allowance was computed. It is also very important that you are within your time constraints for amending your returns. If you have any further questions regarding the filing of amendments, please consult your tax specialist.