

810-3-15-.09 Nontrade or Nonbusiness Expenses.

(1) In accordance with 26 U.S.C. §212, an individual is allowed a deduction for all the ordinary and necessary expenses paid or incurred during the taxable year:

(a) for the production or collection of income;

(b) for the management, conservation, or maintenance of property held for the production of income; or

(c) in connection with the determination, collection, or refund of any tax.

(2) The provisions and limitations of 26 U.S.C. §274 also apply to deductions for travel, entertainment, and meals.

(3) Except as otherwise provided in Alabama law, nontrade or nonbusiness expenses are not deductible.

(4) For interpretation of federal statutes adopted by the Alabama Legislature, see Rule 810-3-1.1-.01, Operating Rules.

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Authority: §§40-2A-7(a)(5) and 40-18-15, Code of Alabama 1975

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