

Job Search Expenses

The IRS allows you to deduct certain expenses incurred while looking for a new job. You may deduct these expenses even if your job search is unsuccessful.

Deductible Job Search expenses:

- Employment & Agency/Headhunter Fees
- Resume Preparation & Mailing
- Travel & Transportation Fees
- Legal Fees related to doing or keeping your job
- Phone Usage for Job Hunting
- Licenses & Regulatory Fees

There are some exceptions:

- Expenses cannot be deducted when incurred while looking for a job for the first time
- Expenses cannot be deducted when incurred while looking for a job in a new occupation
- You may not be able to deduct expenses if there was a substantial break between the "ending of your last job and you are looking for a new one."
- You must itemize. If your itemized expenses don't add up to more than the standard deduction amount, then you can't claim your job-search expenses.
- To can deduct these costs, they must come to more than 2 percent of your adjusted gross income, or AGI