

Summary of Entrainment & Transportation Deduction (NEW LAW)

Type of Expense	Old Rules Before 2018	New Rules After 2017 through 2025
Business Entertainment IRC Section 274	50% Deductible	No Deduction
Sky boxes	50% Deductible with limits	No Deduction
Sporting/Theatre Tickets	50% Deductible with limits	No Deduction
Other entertainment, amusement or recreation expenses	50% Deductible with limits	No Deduction E.g.: Golf, lodges, trips, resorts, etc.
Business Meals where business is discussed during or immediately before or after the meal	50% Deductible as long as not lavish or extravagant and taxpayer or employee of taxpayer is present	No Deduction
Business Meals at, before, or after an entertainment event such as dinner before a theatre	50% Deductible as long as not lavish or extravagant and taxpayer or employee of taxpayer is present	No Deduction
Company Picnic or Holiday Events DeMinimis IRC Sec. 132(e)	100% Deductible	50% Deductible
Meals as Employer Convenience (on employer premise rule)	100% Deductible	50% Deductible IRC Sec. 119 Employer Convenience
Working Condition Fringes Meals	100% Deductible	50% Deductible
Travel Meals	50% Deductible	50% Deductible

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Meals reimbursed by employer under accountable plans	100% Deductible by employee, Employer subject to various tests which allow either a 50% deduction if business meals, or a 100% deduction if cost of providing service	100% Deductible by employee, Employer gets no deduction if business meals, 50% deduction if travel meals and 100% deduction if cost of providing service
Business meeting meal of employees, stockholders & directors	50% Deductible	50% Deductible (Maybe)
Meals sold to the general public (like cost of putting on an event)	100% Deductible	100% Deductible