Fun Tax Facts – Pet Expenses

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Fun Tax Facts – Pet Expenses

By: Xiaoyue Tan, MST Student

Cat Food Expense

In 1995 a scrap yard owner was allowed a business deduction for cat food purchased to attract wild cats to prevent snakes and rats from entering his scrap yard.¹ The court agreed that the cost of the cat food was a deductible business expense because the cat performed a task associated with the business. In contrast, one’s household cat is not qualified because it unlikely performs any service in operating a business.

Animal Foster Expenses

*New York Times* bestselling author, Helen Brown, wrote a blog about a rescue cat named Bono. Over 22 million people read her blog. She published *Bono* and inspired millions of people.² People who foster and care for homeless animals for qualified charitable organizations can deduct out of pocket expenses. In *Van Dusen v. Commissioner*, foster-cat expenses qualified as unreimbursed expenditures incident to the rendition of services to a charitable organization. Van Dusen’s services were directed by a charitable organization. She thus rendered services the organization when she cared for foster cats in her home.³ It is good news for animal foster parents that they can deduct some of costs during the taxable year. It is important though that

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for any donation of $250 or more that the taxpayer have a contemporaneous written
acknowledgement as required by IRC §170(f)(8).

**Pet Moving Expenses**

Most people may not know that the pet moving expenses are deductible under certain
circumstances. Before 2018 and after 2025, employees and self-employed individuals can
deduct the cost of transporting goods and personal effects from the old residence to the new
residence if certain distance requirements are met.\(^4\) Household pets are treated the same as
your other personal properties. If someone lost their job and relocate for a new job, the
reasonable expenses of moving their pet are tax deductible.\(^5\) However, only members of the
U.S. Armed Forces can deduct personal moving expenses from 2018 to 2025.

\(^4\) IRC Sec. 217(b).
\(^5\) Rev. Rul. 66-305.