

111TH CONGRESS
1ST SESSION

S. 1754

To amend the Internal Revenue Code of 1986 to provide for a standard home office deduction in the case of certain uses of the office.

IN THE SENATE OF THE UNITED STATES

OCTOBER 6, 2009

Mrs. BOXER (for herself, Mr. MERKLEY, Mr. LIEBERMAN, and Mr. BAYH) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide for a standard home office deduction in the case of certain uses of the office.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Home Office Deduc-
5 tion Simplification Act of 2009”.

6 **SEC. 2. STANDARD HOME OFFICE DEDUCTION.**

7 (a) IN GENERAL.—Subsection (c) of section 280A of
8 the Internal Revenue Code of 1986 (relating to disallow-
9 ance of certain expenses in connection with business use

1 of home, rental of vacation homes, etc.) is amended by
 2 adding at the end the following new paragraph:

3 “(7) STANDARD HOME OFFICE DEDUCTION.—

4 “(A) IN GENERAL.—In the case of an indi-
 5 vidual who is allowed a deduction for the use of
 6 a home office because of a use described in
 7 paragraphs (1), (2), or (4) of this subsection,
 8 notwithstanding the limitations of paragraph
 9 (5), if such individual elects the application of
 10 this paragraph for the taxable year, such indi-
 11 vidual shall be allowed a deduction equal to the
 12 standard home office deduction for the taxable
 13 year in lieu of the deductions otherwise allow-
 14 able under this chapter for such taxable year by
 15 reason of being attributed to such use.

16 “(B) STANDARD HOME OFFICE DEDUC-
 17 TION.—For purposes of this paragraph, the
 18 standard home office deduction is the lesser
 19 of—

20 “(i) \$1,500, or

21 “(ii) the gross income derived from
 22 the individual’s trade or business for which
 23 such use occurs.

24 “(C) INFLATION ADJUSTMENT.—In the
 25 case of any taxable year beginning in a calendar

1 year after 2009, the dollar amount in subpara-
2 graph (B)(i) shall be increased by an amount
3 equal to—

4 “(i) such dollar amount, multiplied by

5 “(ii) the cost-of-living adjustment de-
6 termined under section 1(f)(3) for the cal-
7 endar year in which the taxable year be-
8 gins, determined by substituting ‘2008’ for
9 ‘1992’ in subparagraph (B) thereof.

10 Any increase determined under the preceding
11 sentence shall be rounded to the nearest mul-
12 tiple of \$100.”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to taxable years beginning after
15 December 31, 2008.

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