

111TH CONGRESS
1ST SESSION

H. R. 1509

To amend the Internal Revenue Code of 1986 to provide a standard home office deduction.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 2009

Mr. MCHUGH (for himself and Mr. SCHRADER) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide a standard home office deduction.

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”.

6 **SEC. 2. STANDARD DEDUCTION FOR BUSINESS USE OF**

7 **HOME.**

8 (a) IN GENERAL.—Subsection (c) of section 280A of
9 the Internal Revenue Code of 1986 (relating to disallow-
10 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 that 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 AMOUNT.—For purposes of this para-
18 graph, the standard home office deduction is
19 the lesser 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 2010, 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 ‘2009’ 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 the date of the enactment of this Act.

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