

# Tax Reform Meal & Entertainment Changes

Event	2017 Expenses (old rules)	2018 Expenses (New rules)
Office Holiday Party or Picnic	100% deductible	100% deductible
Client Business Meals	50% deductible if taxpayer is present, and not lavish or extravagant	50% deductible if business is conducted, taxpayer is present, and not lavish or extravagant
Entertainment-related Meals	50% deductible	50% deductible if the expense is an ordinary and necessary business expense, the expense is not lavish or extravagant, the taxpayer or an employee of the taxpayer is present, the food and beverages are provided to a business-related contact, and the food and beverages are purchased separately from the cost of the entertainment.
Sporting Event Tickets	50% deductible for face value of ticket (anything above face value is non-deductible)	No deduction
	50% deductible for skybox expenses to the extent of non-luxury seat ticket face value in such box	No deduction
	100% deductible for charitable sports events	No deduction
	Contributions for the right to purchase tickets to an educational institution's athletic events 80% deductible	No deduction
Club Memberships	No deduction for club dues. However, 50% deduction for expenses incurred at a club organized for business, pleasure, recreation, or other social purposes if related to an active trade or business	No deduction
Meals Provided for the Convenience of Employer	100% deductible provided they are excludible from employees' gross income as de minimis fringe benefits; otherwise 50% deductible	50% deductible (nondeductible after 2025)



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# Tax Reform

## Meal & Entertainment Changes (Continued)

Event	2017 Expenses (old rules)	2018 Expenses (New rules)
Meals Provided to Employees Occasionally and Overtime Employee Meals	100% deductible provided they are excludible from employees' gross income as de minimis fringe benefits; otherwise 50% deductible	50% deductible (nondeductible after 2025)
Water, Coffee, and Snacks at the Office	100% deductible provided they are excludible from employees' gross income as de minimis fringe benefits; otherwise 50% deductible	50% deductible (nondeductible after 2025)
Meals in Office During Meetings of Employees, Stockholders, Agents, or Directors	50% deductible	50% deductible
Meals During Business Travel	50% deductible	50% deductible
Meals at a Seminar or Conference, or at a Business League Event	50% deductible	50% deductible
Meals Included as Taxable Compensation to Employee or Independent Contractor	100% deductible	100% deductible
Meals Expenses Sold to a Client or Customer (or Reimbursed)	100% deductible	100% deductible
Food Offered to the Public for Free (e.g., at a Seminar)	100% deductible	100% deductible



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