

Business Mileage Deduction - Law applied by the U. S. Tax Court:

The amount of business mileage allowed as a deduction to a salesman was substantially reduced because of his failure to substantiate expenses by keeping a daily mileage record. J.C. Perkins, 38 TCM 1087, Dec. 36,190(M), TC Memo. 1979-277. A taxpayer's car and truck expenses were not deductible as business expenses because he introduced no logs, records, or other evidence to corroborate his testimony regarding the percentages of business use. His claim that he used the truck 100 percent for business was rejected as implausible, and his alleged use of the car in a lobbying activity that did not qualify as a trade or business did not entitle him to a deduction. M.T. Chappell, 81 TCM 1781, Dec. 54,375(M), TC Memo. 2001-146. A taxpayer was denied a car and truck expense deduction because she failed to produce a mileage log or diary to establish the amount, time, place, and business purpose of the expense. Her automobile service documents showing the odometer readings for the beginning and end of the tax year were inadequate to prove how many miles she drove for her consulting business. K. Boyd, 83 TCM 1253, Dec. 54,656(M), TC Memo. 2002-46. A corporation was entitled to automobile expense deductions to the extent that mileage logs substantiated the requisite elements. National Industrial Investors, Inc., 71 TCM 2572, Dec. 51,258(M), TC Memo. 1996-151. Lease and insurance expenses incurred by a wholly owned corporation for passenger automobiles used by its sole shareholder and his wife were not deductible in excess of amounts allowed by the IRS. The company's mileage log failed to substantiate the percentage of the vehicles' business and personal use and one vehicle was designated on the insurance contract for personal use. E.E. Thorpe, 75 TCM 2039, Dec. 52,632(M), TC Memo. 1998-115. A certified public accountant was denied Schedule A deductions for vehicle expense and other business expenses. The taxpayer's daily calendar that did not indicate mileage or business purpose for any of his appointments was not sufficient to substantiate his vehicle expense deductions. Moreover, the taxpayer was not permitted to introduce a sampling of mileage from a prior year as an estimation of his current business use. B.R. Thomas, 72 TCM 570, Dec. 51,534(M), TC Memo. 1996-403. A married couple was not entitled to deduct claimed transportation expenses because they failed to provide adequate documentation. Their mileage summary did not contain odometer readings entered at the time the vehicle was used, but rather, numbers based on figures in a computer atlas. They also failed to support

their summary of truck repairs and maintenance or to indicate the percentage of business versus personal use of their truck. M.R. Olsen, 83 TCM 1236, Dec. 54,649(M), TC Memo. 2002-42. Aff'd, per curiam, CA9 (unpublished opinion), 2003-1 USTC ¶50,230.