

## Internal Revenue Code Section 280A(f)(4)

Disallowance of certain expenses in connection with business use of home, rental of vacation homes, etc.

(f) Definitions and special rules.

(1) Dwelling unit defined. For purposes of this section—

(A) In general. The term "dwelling unit" includes a house, apartment, condominium, mobile home, boat, or similar property, and all structures or other property appurtenant to such dwelling unit.

(B) Exception. The term "dwelling unit" does not include that portion of a unit which is used exclusively as a hotel, motel, inn, or similar establishment.

(2) Personal use by shareholders of S corporation. In the case of an S corporation, subparagraphs (A) and (B) of subsection (d)(2) shall be applied by substituting "any shareholder of the S corporation" for "the taxpayer" each place it appears.

(3) Coordination with section 183. If subsection (a) applies with respect to any dwelling unit (or portion thereof) for the taxable year—

(A) section 183 (relating to activities not engaged in for profit) shall not apply to such unit (or portion thereof) for such year, but

(B) such year shall be taken into account as a taxable year for purposes of applying subsection (d) of section 183 (relating to 5-year presumption).



(4) Coordination with Section 162(a)(2). Nothing in this section shall be construed to disallow any deduction allowable under section 162(a)(2) (or any deduction which meets the tests of section 162(a)(2) but is allowable under another provision of this title) by reason of the taxpayer's being away from home in the pursuit of a trade or business (other than the trade or business of renting dwelling units).