

Internal Revenue Code Section 274(l)(1)(B)(iii)

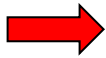
Disallowance of certain entertainment, etc., expenses.

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(l) Additional limitations on entertainment tickets.

(1) Entertainment tickets.

(A) In general. In determining the amount allowable as a deduction under this chapter for any ticket for any activity or facility described in subsection (d)(2), the amount taken into account shall not exceed the face value of such ticket.



(B) Exception for certain charitable sports events. Subparagraph (A) shall not apply to any ticket for any sports event--

(i) which is organized for the primary purpose of benefiting an organization which is described in section 501(c)(3) and exempt from tax under section 501(a),

(ii) all of the net proceeds of which are contributed to such organization, and

(iii) which utilizes volunteers for substantially all of the work performed in carrying out such event.

(2) Skyboxes, etc. In the case of a skybox or other private luxury box leased for more than 1 event, the amount allowable as a deduction under this chapter with respect to such events shall not exceed the sum of the face value of non-luxury box seat tickets for the seats in such box covered by the lease. For purposes of the preceding sentence, 2 or more related leases shall be treated as 1 lease.

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