



Tax Reduction Letter

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Revenue Ruling 63-266

Revenue Ruling 59-316, C.B. 1959-2, 57, involving the deductibility of expenses incurred in attending conventions, states that the allowance of deductions for such expenses will depend upon whether the relationship between the taxpayer's trade or business and his attendance at the convention or other meeting is such that by his attendance he is benefiting or advancing the interests of his trade or business. The ruling further states that one method of determining whether such a relationship exists is to compare the individual's duties and the responsibilities of his own position with the purpose of the meeting as shown by the program or agenda. See also section 1.162-2 (d) of the Income Tax Regulations.

It is the position of the Internal Revenue Service that the test for allowance of deductions for convention expenses provided in section 1.162-2 (d) of the regulations is met if the agenda of the convention or other meeting is so related to the taxpayer's position as to show that attendance was for business purposes.

Revenue Ruling 59-316, C.B. 1959-2, 57, is hereby clarified to remove any implication that section 1.162-2 (d) of the regulations requires [*2] that the agenda of a convention or other meeting deal specifically with the official duties and responsibilities of the taxpayer's position in order for his expenses of attendance to be business connected and deductible for Federal income tax purposes as business expenses.