***Meier v. Commissioner, 2 T.C. 458 (1943)***

The cost of work-related uniforms that are not suitable for everyday wear and are required for employment is deductible as a business expense for income tax purposes.

**Summary**

Eleanor Meier, a nurse at a tuberculosis hospital, sought to deduct the cost of her uniforms. The Tax Court ruled in her favor, holding that because the uniforms were required for her job, worn only at work due to the risk of contagion, and not suitable for general use, their cost was a deductible business expense under Section 23(a)(1) of the Internal Revenue Code. This decision clarified that certain work-related clothing expenses, even if considered 'personal' in some contexts, can be deductible if they meet specific criteria related to job necessity and lack of general utility.

**Facts**

Eleanor Meier was a nurse at Valley View Sanitarium, a tuberculosis hospital. Her employment required her to wear a regulation white uniform, white oxfords, white service-weight hose, and a white cap while on duty. Due to the contagious nature of tuberculosis, she wore these uniforms only while at work and could not use them for any other purpose. In 1940, Meier spent $55.34 on these uniforms and accessories and sought to deduct this amount as a business expense on her income tax return.

**Procedural History**

Meier filed her income tax return for the calendar year 1940 and claimed a deduction for her uniform expenses. The Commissioner of Internal Revenue disallowed this deduction, resulting in a deficiency notice for $3.04. Meier then petitioned the Tax Court to contest the Commissioner's determination.

**Issue(s)**

1. Whether the cost of uniforms and accessories required for a nurse's employment at a tuberculosis hospital, which are worn only at work and are not suitable for general use, is deductible as an ordinary and necessary business expense under Section 23(a)(1) of the Internal Revenue Code.

**Holding**

1. Yes, the cost of the nurse's uniforms and accessories is deductible because these expenses are ordinary and necessary business expenses under Section 23(a)(1) of the Internal Revenue Code, as amended by the Revenue Act of 1942, because the uniforms were required for her employment and not suitable for personal use.

**Court's Reasoning**

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The Tax Court reasoned that Section 23 (a) (1) of the Internal Revenue Code permits deductions for "all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business." The court noted the 1942 amendment, retroactive to 1940, which expanded deductible expenses to include non-trade or non-business expenses related to income production. The court distinguished uniforms from ordinary clothing, stating, "The evidence in this case is that petitioner was required, as a condition of her employment, to purchase uniforms and uniform accessories; that she wore them only while on active duty; and that because of the communicable nature of the disease afflicting the patients with whom she was in contact she could not have used her uniform for any other purpose." The court concluded that these expenses were directly related to her income-producing activity and not personal expenses, thus deductible under the amended statute.

**Practical Implications**

*Meier v. Commissioner* established a significant precedent for the deductibility of work uniform expenses. It clarified that if uniforms are (1) required for employment, (2) not suitable for general or personal wear due to their nature or the conditions of work (like risk of contagion), and (3) exclusively used for work, their costs can be deducted as business expenses. This ruling is particularly relevant for professions requiring specialized attire, such as nurses, firefighters, and construction workers. It shifted the focus from a strict 'personal expense' categorization to a more nuanced analysis of the uniform's utility and necessity in the context of employment. Subsequent tax law and IRS rulings have further refined the criteria for deductible work clothing, often referencing the principles established in *Meier*, emphasizing the 'not suitable for general use' test and the condition of employment as key determinants.

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