***Boone v. Commissioner, 12 T.C. 1052 (1949)***

A taxpayer's home for the purposes of deducting business expenses is the location of their principal place of business or employment, not necessarily their domicile.

**Summary**

The Tax Court considered whether a traveling musician could deduct expenses for travel, lodging, and clothing as ordinary and necessary business expenses. The taxpayer, Boone, a professional musician, claimed his home was in Milwaukee, while he worked across various locations. The court held that his "home" for tax purposes was wherever he was working, denying deductions for travel expenses because he was not traveling "away from home." However, the court allowed deductions for the cost and cleaning of formal clothing required for performances, and some entertainment expenses, applying the *Cohan* rule for estimating the deductible amounts. The court also determined that the value of lodging provided by employers was taxable income.

**Facts**

Mr. Boone, a professional musician, worked at various locations throughout 1947-1949. He claimed his home was in Milwaukee, Wisconsin, where he maintained a residence. He sought to deduct travel expenses, including meals and lodging, and expenses for clothing, laundry and cleaning, and entertainment as business expenses. The Commissioner of Internal Revenue disputed these deductions, arguing Boone's home was wherever he was employed. The Commissioner also argued that lodging provided by two hotels constituted additional taxable income. The Commissioner disallowed most of the deductions, and the case went to the Tax Court.

**Procedural History**

The Commissioner of Internal Revenue disallowed certain deductions claimed by the taxpayer, Mr. Boone. The taxpayer then brought suit in the U.S. Tax Court, challenging the Commissioner's determination. The Tax Court heard the case and issued a decision.

**Issue(s)**

1. Whether Mr. Boone's "home" for the purposes of Section 23(a)(1)(A) of the Internal Revenue Code of 1939 was Milwaukee, Wisconsin, entitling him to deduct traveling expenses while working elsewhere.

2. Whether Mr. Boone could deduct expenses for formal clothing, laundry, cleaning, and entertainment as ordinary and necessary business expenses.

3. Whether the value of hotel room accommodations provided to Mr. Boone by his

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employers was taxable income.

**Holding**

1. No, because his home for the purposes of travel expenses was wherever he was working, not Milwaukee. He was therefore not "away from home" while pursuing his trade or business.

2. Yes, in part, because the formal clothing and related cleaning expenses were deductible. Also, some entertainment expenses were deductible, but the amounts needed to be determined.

3. Yes, because the fair market value of the hotel room accommodations constituted additional income to Mr. Boone.

**Court's Reasoning**

The court focused on the meaning of "home" within the context of the statute allowing deductions for traveling expenses "while away from home in the pursuit of a trade or business." The court referenced the Supreme Court's decision in *Commissioner v. Flowers*, which stated that an employee's home is the principal place of business. Because Boone's work locations shifted, his tax home followed his employment. Thus, he was not "away from home" while traveling for work. The court distinguished between a person's domicile and their tax home.

The court found that formal clothing used solely for performances and their cleaning were ordinary and necessary business expenses, but lacked adequate proof for the amounts spent. For this, the court applied the rule in *Cohan v. Commissioner*, allowing the court to estimate the deductible amounts when precise records were absent. It was determined that the value of accommodations provided by the employers constituted additional income to the taxpayer. The court, again citing *Cohan*, reduced the amount of taxable income because the Commissioner had not furnished sufficient evidence of the fair market value of the lodgings.

The court stated: "That petitioner did not have or maintain his residence at 546 North 15th Street, in Milwaukee, during the taxable years, is, in our opinion, clearly established by the facts. He may have retained, and probably did retain, Milwaukee as his domicile, but that is not the question before us. He and his family lived, and had their home or place of abode, wherever petitioner happened to be working…"

**Practical Implications**

This case is a foundational case for determining what constitutes a taxpayer's "home" for tax purposes. It emphasizes that the "home" is the principal place of business or employment, and not necessarily the taxpayer's domicile or personal residence. Lawyers and tax professionals should advise clients, especially those with itinerant jobs, to carefully document their living arrangements and expenses. The

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case demonstrates the importance of keeping accurate records of business expenses to substantiate deductions. The court's application of the *Cohan* rule, which allows estimation of expenses when evidence is missing, underlines the necessity of providing the court with sufficient evidence.

Subsequent cases have cited Boone for its definition of

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