

Tax Tip
Week of June 1, 2009

Convention Expenses

Individuals that carry on a business or profession have the opportunity to attend conventions, seminars, or conferences. If the meeting is classified as a “convention” there are restrictions on the available deductions. These restrictions include:

- a tax deduction can be claimed for a maximum of two conventions per year
- expenses for family members are normally not deductible unless they attended to achieve the business objectives of the trip. Thus, a deduction for the expenses of spouse may be legitimate if other spouses were in attendance and there was a spousal program related to the business, or a dance that the employee was expected to attend
- expenses are not deductible if they are outside the geographical scope of the organization. For example, the Toronto Dentist Association may have an issue if they hold their convention in Hawaii
- the standard 50% restriction on meal expenses apply to convention

It is important to understand the restrictions on convention expenses, since attendance at numerous conferences may result in a significant expenditure that is not deductible for income tax purposes.