



Research Credits & Incentive Services

Meals and Entertainment

From Fortune 500 giants to 20-employee businesses, virtually every company faces the same task: tracking, characterizing and evaluating meals and entertainment expenses to reduce tax liability and audit exposure.

The Tax Cuts and Jobs Act of 2017 significantly changed how organizations must manage this deduction, and more companies are looking for better ways to remain compliant while effectively managing this important tax benefit. Broadly, entertainment expenses are now no longer deductible, and most meals are 50% deductible.

A&M's Meals and Entertainment offering helps companies accurately track and report meals and entertainment expenses and document qualified deductions to support the claim to the IRS.

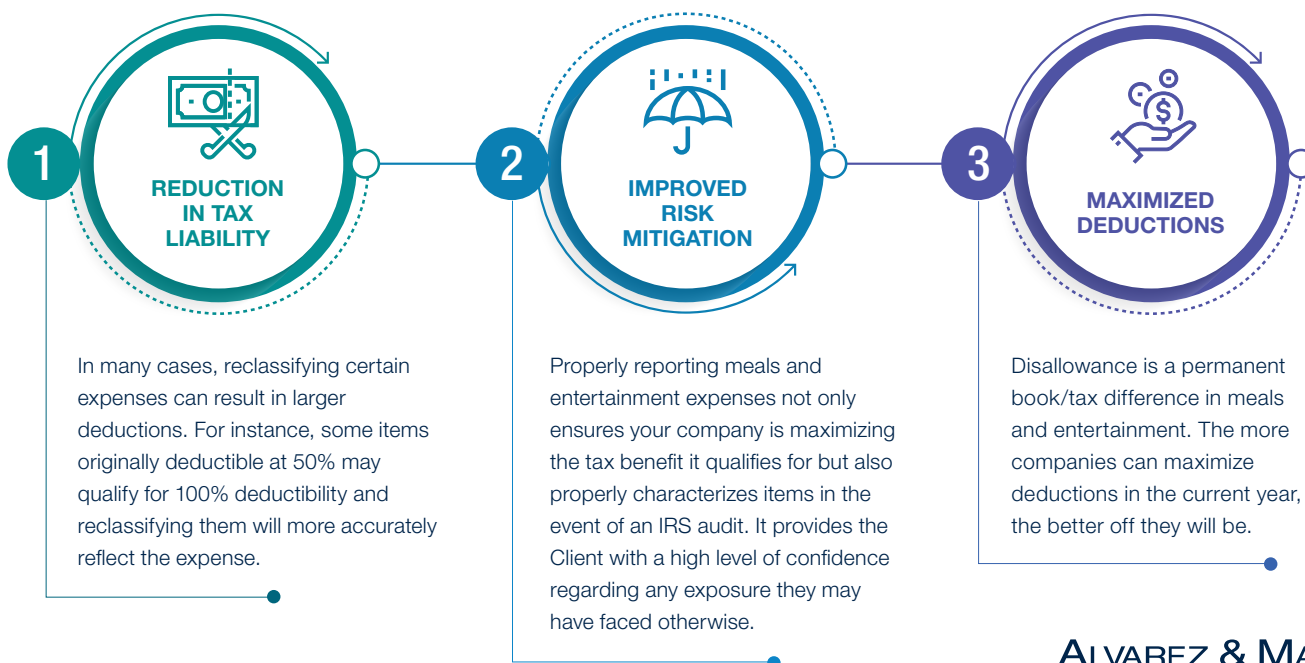


Food and beverages will be 100% deductible if purchased from a restaurant in 2021 and 2022. This temporary 100% deduction was designed to help restaurants, many of which have been hard-hit by the COVID-19 pandemic. Entertainment expenses, like a sporting event or tickets to a show, are still non-deductible.

A&M Taxand Approach

Following the passage of the Tax Cuts and Jobs Act, companies must handle this deduction quite differently. Since entertainment expenses are no longer deductible, for example, it is important to properly label expenses as entertainment or meals. Better tracking and reporting will likely result in a reduced tax liability.

Benefits of fully and accurately accounting for meals and entertainment expenses include:



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Why Contact A&M's Meals and Entertainment Tax Services?

Many clients depend on A&M's years-long experience and a deep expertise in the meals and entertainment area. Clients look to us for:

Maximized savings, minimized exposure



Prior to the tax cut act, the meals and entertainment deduction was an easier and more beneficial calculation for tax payers. A&M understands at a high level how to charge different expenses and translate that knowledge to the transaction level to optimize tax benefits and limit audit exposure.



Wide-ranging expertise

A&M's meals and entertainment team has the skills to work with detailed data while simultaneously understanding the ins and outs of the technical tax requirements. We can also employ other teams within A&M to tackle thorny problems. For example, on the largest of data sets, we partner with A&M's disputes and investigations (DI) group to complete statistical sample analysis.

A&M Meals and Entertainment Tax Contacts



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ABOUT ALVAREZ & MARSAL TAXAND

Alvarez & Marsal Taxand, an affiliate of Alvarez & Marsal (A&M), a leading global professional services firm, is an independent tax group made up of experienced tax professionals dedicated to providing customized tax advice to clients and investors across a broad range of industries. Its professionals extend A&M's commitment to offering clients a choice in advisors who are free from audit-based conflicts of interest, and bring an unyielding commitment to delivering responsive client service. A&M Taxand has offices in major metropolitan markets throughout the U.S., and serves the U.K. from its base in London.

Alvarez & Marsal Taxand is a founder of Taxand, the world's largest independent tax organization, which provides high quality, integrated tax advice worldwide. Taxand professionals, including almost 550 partners and more than 2,500 advisors in 50 countries, grasp both the fine points of tax and the broader strategic implications, helping you mitigate risk, manage your tax burden and drive the performance of your business.

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