

**PA SCHEDULE UE - 2023**  
**Allowable Employee Business Expenses**  
**PA-40 UE (12-23)**  
**PA Department of Revenue**

**CAUTION:** You **must** complete a separate schedule for **each** job or position. Spouses **may not** file joint **PA Schedule(s) UE**.

**SECTION I – Direct Employee Business Expenses.**

- 1. **Union dues.** List union name(s) and amount(s) paid. Enter the total. Submit additional sheets, if needed.  
Name of union(s) and amount(s). 1
- 2. **Work clothes and uniforms.** Needed for your employment and not suitable for everyday use.  
Description: 2
- 3. **Small tools and supplies.** Needed for your employment and not provided by your employer.  
Description: 3
- 4. **Professional license fees, malpractice insurance and fidelity bond premiums.** Required as a condition of your employment.  
Description: 4
- 5. **Total Direct Employee Business Expenses.** Add Lines 1 through 4. 5

**SECTION II – Business Travel Expenses.**

**Vehicle Expenses: Standard Mileage Rate.**

- 6. Enter your total business miles and multiply by the federal standard mileage rate. 6

**Vehicle Expenses: Actual Vehicle Expenses.**

- 7a. Total vehicle miles driven in 2023. 7a
- 7b. Total business miles driven in 2023. 7b
- 7c. Business use ratio. Divide Line 7b by Line 7a. See the Instructions. 7c
- 8a. Gasoline, oil, repairs, vehicle insurance, vehicle rentals, etc. 8a
- 8b. Depreciation. See the Instructions. 8b
- 9. Total vehicle expenses. Add Lines 8a and 8b. 9
- 10. Allowable Actual Vehicle Expenses. Multiply Line 9 by Line 7c. 10

**Other Business Travel Expenses.**

- 11. **Parking fees, tolls and transportation.** 11
- 12. **Travel expenses while away from home overnight.** 12
- 13. **Meals expense.** 13
- 14. **Entertainment expenses.** 14
- 15. **Total Business Travel Expenses.** Add Lines 6 or 10 and Lines 11, 12, 13 and 14. 15

**SECTION III – Miscellaneous Expenses.** Itemize your additional expenses.

- 16. **Total Miscellaneous Expenses.** 16

**Total Allowable PA Employee Business Expenses.** You must account for reimbursements, if any.

- A. **Direct Expenses from Line 5.** A
- B. **Business Travel Expenses from Line 15.** B
- C. **Miscellaneous Expenses from Line 16.** C
- D. **Office or Work Area Expenses from Line 17, on Side 2.** D
- E. **Moving Expenses from Line 20, on Side 2.** E
- F. **Education Expenses from Line 24, on Side 2.** F
- G. **Total Depreciation Expenses from Line 25, on Side 2.** G
- H. **Total Allowable Employee Business Expenses.** Add Lines A through G. H
- I. **Reimbursements.** See the instructions. I
- J. **Net expense or reimbursement.** Subtract Line I from Line H. Enter the difference, and:  
If Line H is **MORE** than Line I, include on Line 1b, on your PA-40. J  
If Line I is **MORE** than Line H, include the excess on Line 1a, on your PA-40.  
Nonresidents and part-year residents may also need to complete PA Schedule NRH. See instructions.



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**SECTION IV – Office or Work Area Expenses.** You must answer ALL three questions or the Department will disallow your expenses.

- D1. Does your employer require you to maintain a suitable work area away from the employer’s premises? **D1**
- D2. Is this work area the principal place where you perform the duties of your employment? **D2**
- D3. Do you use this work area regularly and exclusively to perform the duties of your employment? **D3**

If you answer YES to ALL three questions, continue. If you answer NO to ANY question, you may not claim office or work area expenses.

**Actual Office or Work Area Expenses.** Enter expenses for the entire year and then calculate the business portion.

- a. Depreciation expense (homeowners only) **a**
- b. Real estate taxes. **b**
- c. Mortgage interest (homeowners only) **c**
- d. Utilities. **d** Sales Tax License Number:
- e. Property insurance. **e**
- f. Property maintenance expenses from statement. See the instructions. **f**
- g. Other apportionable expenses from statement. See the instructions. **g**
- h. Rent (renters only). **h**
- i. **Total.** Add Lines a through h. Enter the total here. **i**
- j. **Business percentage of property.** Divide the total square footage of your work area by the total square footage of your entire property. Round to 2 decimal places. **j**
- k. **Apportioned expenses.** Multiply Line i by the percentage on Line j. **k**
- l. Total office supplies from statement. See the instructions. **l**
- 17. **Total Office or Work Area Expenses.** Add Lines k and l. **17**

**SECTION V – Moving Expenses.**

**Distance Test.**

- E1. Enter the number of miles from your old home to your new workplace. **E1**
- E2. Enter the number of miles from your old home to your old workplace. **E2**
- E3. Subtract Line E2 from Line E1 and enter the difference. **E3**  
If Line E3 is 35 miles or more, continue. If it is not at least 35 miles, you may not claim any moving expenses.
- 18. Transportation expenses in moving household goods and personal effects. **18**
- 19. Travel, meals, and lodging expenses during the actual move from your old home to your new home. **19**
- 20. **Total Moving Expenses.** Add Lines 18 and 19. **20**

**SECTION VI – Education Expenses.** You must answer ALL three questions or the Department will disallow your expenses.

- F1. Did your employer (or law) require that you obtain this education to retain your present position or job? **F1**  
If you answer YES, continue. If you answer NO, you may not claim education expenses.
- F2. Did you need this education to meet the entry level or minimum requirements to obtain your job? **F2**
- F3. Will this education, program or course of study qualify you for a new business or profession? **F3**

If you answer NO to questions F2 and F3, continue. If you answer YES to either question, you may not claim education expenses.

Name of college, university or educational institution:

Course of study:

- 21. Tuition or fees. **21**
- 22. Course materials. **22**
- 23. Travel expenses. **23**
- 24. **Total Education Expenses.** Add Lines 21 through 23. **24**

**SECTION VII – Depreciation Expenses.** PA law does not allow any federal bonus depreciation and follows the amount allowable by the IRC Section 179.

(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation method	(e) Section 179 expense	(f) Depreciation expenses
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- 25. **Total Depreciation Expenses.** Add the amounts from columns (e) and (f). **25**

