



1099 Independent Contractor Requirements

TRAVEL NURSES
2025 COMPLIANCE GUIDE



Welcome Message

Dear Traveler,

At myVault, we recognize the dedication and sacrifices healthcare professionals make to care for others. Our mission is to provide the same level of care and attention to your financial well-being.

This guide is designed to help you operate like a small business from day 1: ***document that you control your own practice, submit your W-9s, segregate your finances, set aside cash for SE and income taxes, pay estimates on time, and claim every legitimate deduction.***

Also included is a ***step-by-step compliance checklist*** that starts the moment you accept an assignment and continues through year-end tax filing. As long as you follow the steps as outlined, working as a 1099 travel nurse can be tax-efficient, compliant, and headache-free.

We hope that the guide serves as both a resource and a roadmap — enabling you to make informed decisions, stay compliant, and empower you to achieve lasting financial security, while you practice medicine on your own terms!

With gratitude and commitment,



myVault LLC



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Item 1

Overview: How to comply with independent contractor requirements as a 1099 travel nurse: Ultimate Guide (**Tax year 2025 rules – calendar-year filer – U.S. federal law**)

Below is a step-by-step compliance checklist overview that starts the moment you accept an assignment and continues through year-end tax filing. The citations are to the most authoritative items in the source packet you provided.

1. Make sure you really are an “independent contractor”

IRS scrutiny focuses on whether the **hospital or staffing agency only controls the result you deliver, not how you deliver it**. In every audit the Service walks through three common-law categories:

- **Behavioral control**
- **Financial control**
- **Relationship of the parties** ^[3d] ^[4b] ^[5d]

Keep contemporaneous evidence that supports independence, e.g., you set your own shifts from the block of available slots, use your own stethoscope/uniforms, pay your own licensing fees, buy your own malpractice tail, etc. If doubt remains, you or the agency can file **Form SS-8** to obtain an official determination ^[3h].

(Why it matters: if IRS later says you were really an employee, the *payer* can be hit with back FICA, FITW and penalties—and you may have to file Form 8919 to pay the employee share ^[3k].)

2. On-boarding paperwork

Step	Form	Who keeps/files it	Why it matters
Give the agency a completed W-9	W-9	You give it to the payer; it is <i>not</i> sent to IRS	Supplies your name & TIN so the agency can issue an accurate 1099 and avoid backup withholding ^[26b] ^[28b] .
Year-end information return	1099-NEC	Payer files Copy A with IRS and sends you Copy B by 31 Jan 2026	Required if you earned ≥ \$600 in 2025 ^[29c] . (OBBBA raises the threshold to \$2,000 starting with payments after 2025 ^[27d] .)

Keep the W-9 for four years and each 1099 indefinitely—it is your gross-income “audit trail.”



3. Track income & deductible expenses all year

File and reconcile on **Schedule C**. Typical deductions for a travel nurse include:

- **State nursing licenses, certs & CE**
- **Malpractice premiums you buy yourself**
- **Meals & lodging while you are away from your tax home (pro-rated if partly personal)**
- **Scrubs, medical shoes, small equipment you provide**
- **Mileage between temporary housing and multiple client sites (2025 standard rate published each January)**
- **Professional association dues**

Maintain digital copies of contracts, invoices, mileage logs and receipts; IRS expects “adequate books and records” for Schedule C audits ^[9m].

4. Pay estimated tax on a pay-as-you-go basis

- **Net earnings from self-employment (NESE).** Multiply Schedule C profit by 92.35 % and then...
- Pay **Self-Employment (SE) tax**: 12.4 % Social Security on NESE up to the 2025 wage base \$176,100 and 2.9 % Medicare on all NESE ^[12c].
- **Quarterly estimates.** Use Form 1040-ES and the safe-harbor rule: pay the smaller of (a) 90 % of your 2025 tax or (b) 100 % of your 2024 tax (110 % if last year’s AGI > \$150 k) ^[11j].
- 2025 due dates: 15 Apr, 16 Jun, 15 Sep 2025 and 15 Jan 2026 ^[11r].
- **Year-end filing.** Attach **Schedule SE** to Form 1040; deduct one-half of the SE tax “above the line” ^{[12d] [12e]}.

5. Don’t overlook owner benefits available to the self-employed

- **QBI 20 % deduction** if taxable income stays below the 2025 §199A threshold (\$197,300 single / \$394,600 joint) <source-citation>Inflation Adjusted Amounts – § 199A</source-citation>.



- **Solo-401(k) or SEP-IRA.** Because you have self-employment income you can shelter up to the annual §415 limits; electing a Solo-401(k) also lets you make an “employee” deferral out of your own pay.
- **100 % health-insurance deduction** for a self-employed taxpayer ^[10e].
- **Home-office + mileage synergy.** If a portion of your apartment is your principal place of business, commuting from that home office to each facility is business mileage (deductible) ^{[10h] [10n]}.

6. State-to-state issues for travel nurses

- You owe **income tax in every state where you physically work**, subject to reciprocal-agreement exceptions.
- Keep a day-by-day work-location log to allocate wages.
- Maintain a clear “tax home” to preserve away-from-home travel deductions—usually your permanent residence where you return between contracts.

7. Should you form an LLC or S-Corp?

Default status is **sole proprietor**; nothing to file. Consider an entity only after you run the numbers:

Entity	Why nurses sometimes choose it	Key cautions
Single-member LLC (taxed as sole-prop)	Limited legal shell; minimal upkeep	Does <i>not</i> shield you from malpractice claims ^[34g] .
LLC electing S-Corp	Potential Medicare-tax saving on profits that exceed a “reasonable salary”	Benefits appear only if your net profit is well into six figures and you can justify a salary well below it ^[34h] . Creates payroll, W-2, corporate return, and possible double collection of Social Security if you also hold a W-2 hospital job.

Many travel nurses stay sole proprietors (use an EIN, separate bank account) until profits justify the extra complexity ^{[34c] [34e]}.



8. What if you suspect you have been misclassified?

Ask the payer to reconsider; if no resolution, you may:

- File **Form SS-8** (worker status determination) ^[3h].
- If IRS later rules you are an employee, you file **Form 8919** to pay only the employee share of FICA ^[3k].

The hospital/agency may invoke the **Section 530 safe harbor**—they escape back taxes if they met reporting consistency (filed 1099s), substantive consistency and had a reasonable basis ^[18b] ^[18c].

9. Keep an audit-ready archive

IRS commonly asks for:

- ***Contracts & invoices per assignment***
- ***Mileage / lodging logs***
- ***Proof of quarterly payments & Schedule C workpapers***
- ***Copies of all 1099-NECs***

Digitize everything—cloud storage retains metadata that proves contemporaneous recordkeeping.

Bottom line

Operate like a small business from day 1: document that you *control your own practice*, give the payer a W-9, segregate your finances, set aside cash for SE and income taxes, pay estimates on time, and claim every legitimate deduction. As long as you follow the steps above, working as a 1099 travel nurse can be tax-efficient, compliant, and headache-free.



Item 2

What tax forms do I need to file as a 1099 travel nurse

independent contractor? (Tax year 2025 – calendar-year filer – U.S. federal law)

Below is a checklist of the IRS forms a travel nurse who is paid on Form 1099-NEC normally needs to **receive, keep, prepare, or file** when he/she is treated as an independent contractor.

Stage	Form	Who files / keeps it	When	Why it matters	Key authority
1. On-boarding with each agency or hospital	Form W-9, Request for Taxpayer Identification Number and Certification	You give it to each payer and keep a copy; not sent to IRS	Before the first payment	Supplies your legal name and TIN so the payer can issue you an accurate 1099 and avoid 24 % backup withholding	[1c] [2b]
2. Year-end information return you should receive	Form 1099-NEC, Nonemployee Compensation	Payer → IRS (Copy A) and → you (Copy B) if it paid you \$600 or more during 2025	Must be furnished to you and filed with the IRS by 31 Jan 2026	Shows the gross amounts you must report on Schedule C; validates independent-contractor status	[1b] [2d] [2e]
3. Quarterly tax payments	Form 1040-ES, Estimated Tax for Individuals (vouchers or electronic payment record)	You file/pay	15 Apr, 16 Jun, 15 Sep 2025, 15 Jan 2026	Remits income tax and the self-employment (SE) tax as you earn the income	[1d] [3i] [3h]
4. Annual income-tax return	Form 1040, U.S. Individual Income Tax Return	You file	Due 15 Apr 2026 (or 15 Oct 2026 with extension)	Master form; pulls in all schedules listed below	[3i]



Stage	Form	Who files / keeps it	When	Why it matters	Key authority
4a. Business activity detail	Schedule C (Form 1040), Profit or Loss From Business	You file with Form 1040	15 Apr 2026	Reports gross receipts (from all sources, even those under \$600), deducts travel-nurse expenses such as licensing fees, scrubs, mileage, meals & lodging while away from your tax home, etc.	[1e] [3m]
4b. Self-employment tax computation	Schedule SE (Form 1040)	You file with Form 1040	15 Apr 2026	Computes the 15.3 % SE tax (12.4 % Social Security on 2025 earnings up to the \$176,100 wage base and 2.9 % Medicare on all earnings) and the above-the-line deduction for one-half of that tax	[1f] [3d] [4f]



Stage	Form	Who files / keeps it	When	Why it matters	Key authority
4c. Qualified-Business-Income deduction (if eligible)	Form 8995 (simplified) or 8995-A	You file with Form 1040	15 Apr 2026	Calculates the 20 % §199A deduction on your “qualified business income” if your 2025 taxable income is below the inflation-adjusted thresholds (\$197,300 single; \$394,600 joint)	(thresholds: Inflation-Adjusted Amounts — §199A)
4d. Depreciation (only if you depreciate equipment, e.g., laptop, portable ultrasound, vehicle)	Form 4562, Depreciation and Amortization	You file with Form 1040 if needed	15 Apr 2026	Claims §179 or bonus depreciation and lists property placed in service	—
4e. Home-office deduction (optional)	Form 8829, Expenses for Business Use of Your Home or simplified method worksheet	You file with Form 1040 if you claim the deduction	15 Apr 2026	Allows allocation of rent, mortgage interest, utilities, etc. when your apartment is your principal place of business	—
5. Retirement plan reporting	Form 5500-EZ (Solo-401(k)) or Form 5305-	You file Form 5500-EZ only if	Due 31 Jul 2026 (paper) or 15 Apr 2026 (e-file)	Reports assets and compliance for a one-	—



(only if applicable)	SEP (SEP-IRA keeps on file)	Solo-401(k) assets > \$250,000 at year-end		participant plan	
6. Possible worker-status challenge	Form SS-8, Determination of Worker Status (optional)	You or the payer may file	Anytime	Requests an IRS ruling if you believe you are misclassified	—
7. If IRS later reclassifies you as an employee	Form 8919, Uncollected Social Security and Medicare Tax on Wages	You file with Form 1040	When reclassification occurs	Lets you pay only the employee share of FICA	—

Practical tips

- **Keep every 1099-NEC and reconcile it to your own books.** You must still report income for which no 1099 was issued. ^[3k]
- **Store W-9s and vendor contracts for at least four years.** They are your first-line evidence in an audit. ^[2b]
- **Use the 1040-ES safe-harbor rule** (pay the smaller of 90 % of current-year tax or 100 % of last-year's tax) to avoid under-payment penalties. ^[3g]
- **E-file when you can.** Electronic filing is mandatory for most businesses that issue 10 or more information returns, and it cuts down on transcript mismatches. ^[2g]

If you maintain accurate records of income and expenses during the year and file the forms above on time, you will satisfy the federal filing obligations that apply to most 1099 travel nurses.



Item 3

What is the difference between Schedule C and Schedule SE for a 1099 travel nurse?

- **Schedule C (Form 1040)** tells the IRS **how much profit (or loss) your travel-nurse business generated for income-tax purposes.**
- **Schedule SE (Form 1040)** takes the profit that came out of Schedule C and **computes the Social Security and Medicare (“self-employment”) tax you owe on it.**

Both schedules travel together in the same Form 1040 filing, but they perform two distinct jobs, as shown below.

Side-by-side comparison for tax year 2025

Item	Schedule C – “Profit or Loss From Business”	Schedule SE – “Self-Employment Tax”
Who must file?	Any 1099 travel nurse who operated as a sole proprietor or single-member LLC, regardless of profit or loss. ^[32b]	Anyone whose combined net earnings from self-employment are \$400 or more for the year. ^{[9b] [31d]}
Primary purpose	1. Report gross receipts (e.g., amounts on all Forms 1099-NEC plus any other client payments). 2. Subtract ordinary and necessary nurse-business expenses (licenses, scrubs, CE, mileage, meals & lodging while away from your tax home, etc.). 3. Arrive at net profit or loss. ^{[3b] [4b]}	1. Start with net profit from Schedule C (or the combined profit of all your businesses). 2. Multiply by 92.35 % to obtain “net earnings from self-employment.” 3. Apply the §1401 rates—12.4 % Social Security up to the 2025 wage base \$176,100 and 2.9 % Medicare on all earnings (plus the 0.9 % Additional Medicare tax above the statutory income thresholds). ^{[5b] [22b] [22c]}
Where the number flows next	• Net profit (or loss) is carried to Form 1040, Schedule 1, line 3, and feeds into adjusted gross income (AGI). • The same profit figure feeds Schedule SE.	• SE tax is transferred to Form 1040, Schedule 2, line 4. • One-half of that tax is deducted “above the line” on Schedule 1, line 14.



Item	Schedule C – “Profit or Loss From Business”	Schedule SE – “Self-Employment Tax”
Why the IRS & SSA care	Establishes taxable income and the basis for business deductions under §162.	Credits your 2025 earnings record for future Social Security and Medicare benefits. ^[29b]
When you would file one but not the other	• If your travel-nurse business shows a loss or profit that nets to < \$400 , you still file Schedule C but Schedule SE is not required. ^[11c]	• Never—Schedule SE cannot exist without a Schedule C (or other self-employment source) feeding it.

How the two schedules work together in practice

- **You add up every payment you received** from hospitals or agencies, including amounts below the \$600-per-payer 1099-NEC threshold—gross income must be complete.
- **You deduct all legitimate business costs** (Section 162 “ordinary and necessary” expenses) on Schedule C.
- **Line 31 of Schedule C** shows your net profit.
- **That same profit is the starting point for Schedule SE**, where you calculate:
 - Net earnings = profit × 92.35 %
 - SE tax = (12.4 % on the first \$176,100) + (2.9 % on all) ± 0.9 % add-on
- **Half of the SE tax becomes an above-the-line deduction**, reducing your AGI, while the other half is paid with your return or your quarterly estimates.

Key take-aways for a 1099 travel nurse

- Think of **Schedule C as your business income statement**—it decides how big your taxable profit is and preserves all your deductions.
- Think of **Schedule SE as the payroll department you don’t have**—it charges you both the “employee” and “employer” share of FICA on that profit.
- You can owe income tax, SE tax, both, or neither, depending on the numbers—but you must prepare Schedule C first; Schedule SE simply reacts to its bottom line.



Item 4

Are there any travel-related expenses that a 1099 travel nurse cannot deduct on Schedule C?

Travel costs you incur as a self-employed (“1099”) travel nurse are not automatically deductible just because you were on assignment. Section 162 lets you deduct only the “ordinary and necessary” business portion, and § 274 (with its regulations and Pub. 463) then carves out a long list of amounts that are wholly or partly nondeductible. Below are the items the IRS will disallow (or severely limit) on Schedule C for the 2025 tax year, with the key authority for each.

Category of expense	Why it is disallowed or limited
1. Commuting to a regular work location	The cost of getting from your home to your main or regular work site—even if that site is a hospital hundreds of miles away—is personal commuting, not business travel. ^[6j] ^[15b]
2. Local mileage/parking at your “tax-home” hospital	Parking fees and mileage in the city that is already your tax home are personal. ^[6k] ^[13b]
3. Assignments that are “indefinite” (expected to last > 1 year)	Once you reasonably expect to work in one location for more than 12 months, that city becomes your tax home and none of the ongoing lodging, meals, or transportation there are deductible. ^[8d] ^{[source-citation>6ah</source-citation>}
4. Personal or vacation legs of a mixed trip	If any part of a trip is for sightseeing, visiting friends, etc., you must allocate; the vacation portion is 100 % non-deductible. ^[6b] ^[6x] ^[6z]
5. Travel for a spouse, partner, or friend who is not your employee	Their airfare, lodging, and meals are disallowed unless the companion is your employee <i>and</i> the travel is for a bona-fide business purpose. ^[1i] ^[6c]
6. “Entertainment” travel and club dues (night-clubs, sporting events, airline & hotel clubs, yacht or hunting-lodge trips, etc.)	§ 274 bars deductions for entertainment activities, entertainment facilities, and any social-club membership dues. ^[1b] ^[1c] ^[6g] ^[6i] ^[9g]



Category of expense	Why it is disallowed or limited
7. “Lavish or extravagant” amounts	Even otherwise-allowable travel costs can be denied if unreasonably luxurious. ^[4b] ^[6d] ^[8b]
8. The <i>other</i> 50 % of your business meals	You may deduct only half of qualifying meal costs; the remaining 50 % is never deductible. ^[1j] ^[6e]
9. Gifts given while on the road that exceed \$25 per recipient per year	§ 274 caps the deduction for business gifts at \$25; anything above that ceiling is disallowed. ^[1e] <source-citation>6aa</source-citation>
10. Foreign-travel days that are personal or cannot be allocated to business	For trips outside the U.S., the non-business portion of airfare, lodging, and meals is nondeductible. ^[1f] ^[2e]
11. Travel undertaken primarily as education (e.g., a C.E. cruise that is more vacation than coursework)	“Travel as a form of education” is barred. ^[1h] ^[2h]
12. Luxury-water transportation in excess of the daily statutory cap	You may deduct only up to twice the highest federal per-diem rate per day; any excess is disallowed. ^[1i] ^[6r] <source-citation>6ao</source-citation>
13. Cruise-ship conventions over \$2,000 / year or that fail the strict substantiation rules	The annual deduction is capped and allowed only if a U.S.-flag vessel, U.S. ports, and written statements are met; excess amounts are disallowed. <source-citation>6ar</source-citation>
14. Qualified-transportation or parking “fringe benefits” you give yourself	§ 274(k) denies a deduction for commuting-type transportation benefits; they apply only to employer-provided fringes, not to your own Schedule C. ^[1k]
15. Traffic fines, parking tickets, and similar penalties incurred while traveling	Penalties are personal and never deductible. ^[6q]
16. Any travel, meal, or lodging cost you can’t substantiate (date, place, amount, business purpose, and business relationship)	Lack of the required contemporaneous records means a <i>full</i> disallowance under § 274(d). ^[1g] ^[2f]



Practical takeaway

Keep your records tight, allocate mixed-purpose trips, and remember that **§ 274 turns several seemingly “business” costs into personal expenses.** If an auditor can point to any of the rules above, the corresponding dollars come straight off your Schedule C.

Item 5

How does the IRS define a 'tax home' for travel nurses, and why does it matter for deductions?

IRS meaning of “tax home” (tax-year 2025 rules)

- **General rule – where you do most of your work**
- Your tax home is “your regular place of business or post of duty” — the entire city or general area in which that work is located, **not** automatically the house where your family lives. ^[5b] ^[2b]
- **If you have several work sites**
- Compare time spent, the level of activity, and how much income each site generates. The location that scores highest on those factors is your **main** place of business and therefore your tax home. ^[5c]
- **If you have no regular work location (common for travel nurses)**
- • The IRS next looks to the place where you **regularly live**.
- • When even that does not exist, you are an **itinerant**; your tax home is **wherever you happen to be working**. Itinerants are never considered “away from home,” so they get **no travel-expense deduction**. ^[5b] ^[2b] ^[3c]
- **The three-factor “residence” test (used when there is no regular job site)**
- You establish a tax home at your permanent residence only if you meet at least **two of these three tests**:
 - You do some business in that area and sleep there while doing so.
 - You pay **duplicate living expenses** (maintain that home and also pay lodging on assignment).
 - You keep strong ties and do **not** abandon the residence (family, belongings, driver’s license, etc.). ^[5d] ^[3d]
- **Temporary vs. indefinite assignments**
- An assignment expected to last ≤ 12 months is “temporary”; your original tax home stays put. An assignment expected to last > 12 months is “indefinite,” and the assignment city **becomes** your new tax home—travel costs there cease to be deductible. ^[5f] ^[6d]



Why the tax-home label matters to a travel nurse

- **Deductibility of travel costs**
 - Section 162 allows deductions only for amounts spent “while away from home ... in the pursuit of a trade or business.” ^[1]
 - Once a location is your tax home, local commuting, meals, and lodging there are personal and **nondeductible**. ^[5e]
- **Tax-free stipends and agency reimbursements**
 - Agencies can treat housing, meal, and travel allowances as **nontaxable** only when you are working **away from a legitimate tax home** and incurring duplicate expenses. If you are itinerant or your assignment is indefinite, those same payments become fully taxable wages. ^{[7b] [8f] [8i] [10d]}
- **Audit exposure**
 - Mis-stating your tax home can lead to:
 - Disallowed Schedule C (or Form 2106) travel deductions,
 - Retroactive taxation of “tax-free” stipends, and
 - Penalties and interest for negligence. The IRS focuses on the 12-month rule and the three-factor residence test when auditing travel-nurse returns.

Quick examples

Situation	Tax-home outcome	Deduction / stipend result
Nurse keeps an apartment in Phoenix, returns between 13-week contracts, and pays rent there while also paying for short-term housing in Portland	Phoenix qualifies under the three-factor test	Travel to Portland, Portland lodging, 50 % of business meals, and agency housing stipend are deductible / excludable
Nurse sells her home, lives full-time in an RV, and moves from contract to contract	No fixed residence → itinerant	No away-from-home deduction; all stipends must be treated as taxable pay
Nurse accepts a “temporary” ICU contract in Boston that is later extended to 18 months	Boston becomes the new tax home as soon as the expected duration exceeds 1 year	Deductions and tax-free stipends stop as of the expectation-change date



Bottom line: The IRS cares less about where you vote or keep your furniture than **where you normally earn your income**. As a travel nurse you must nail down a valid tax home (and keep proof of duplicated living costs) to preserve your Schedule C travel deductions and the tax-free status of agency stipends.

Item 6

How can a travel nurse prove the location of their tax home to the IRS?

Tax year 2025 – U.S. federal rules

The IRS will accept the city or general area that you designate as your “tax home” only if you can back it up with **contemporaneous, objective evidence**. Because travel-nurse assignments are by definition mobile, an auditor will look for proof that you meet the Publication 463 three-factor residence test and that any stipends or Schedule C deductions relate to periods when you were **“away from home”**. Below is a step-by-step documentation framework built directly from the IRS authorities most often cited in travel-nurse audits.

1. Understand the standards you must meet

1. **General definition** – Your tax home is your *regular place of business*; if none, it may be the place you *regularly live*; if neither exists, you are an **itinerant** and have no away-from-home deductions. 9b2d
2. **Three-factor residence test** (used when you lack one regular job site). You must satisfy at least **two** of these three factors:
 - You perform some business in the area of the claimed home and sleep there while doing so.
 - You **duplicate living expenses** because your work takes you away.
 - You keep **strong family / financial ties** and do not abandon the residence. 9d12e2d
3. **12-month rule** – An assignment expected to last more than one year makes that location your new tax home, and travel costs there become nondeductible. 8b14f15b

2. Core evidence the IRS looks for

The Service trains examiners to ask for documents that directly match the three-factor test and § 274(d) substantiation rules. The items below have proven persuasive in audits and Appeals cases:



What it proves	Examples of documents to keep	Key sources
Ongoing residence & strong ties	• Lease, mortgage, or property-tax statements in your name • Utility bills mailed to that address • Driver's license, voter registration, car registration listing that address • Homeowner or renter-insurance policies	18b17d
Duplicate living expenses	• Rent or hotel receipts at the <i>assignment</i> location • Evidence you continued to pay rent, mortgage, or utilities at the <i>permanent</i> residence for the same months	12e9n
Business performed in home area	• Per-diem or PRN shifts you worked locally (time sheets, 1099-NEC) • Mileage logs showing patient visits or agency orientations in the home city	9c2d
Temporary nature of assignments	• Written contracts showing start/end dates ≤ 12 months • Emails extending or ending contracts • Travel records showing you returned to the tax-home city between assignments	14f15b
Actual travel away from home	• Airfare, bus, or mileage logs with dates, destinations, and business purpose • Lodging receipts and 50 %-meal receipts that match the dates you were away	9e15d

3. Record-keeping practices that make the evidence credible

1. **Timeliness** – Make entries “at or near the time” of the expense or trip; weekly mileage or lodging logs meet this test. 9i
2. **Documentary proof > oral testimony** – Examiners give greatest weight to receipts, contracts, and bills created contemporaneously. Oral explanations help only when documents are missing for reasons beyond your control. 22c22d
3. **Minimum receipt rules** – Always keep receipts for lodging and any other travel cost of \$75 or more; smaller amounts still need a log. 9e15ad
4. **Organization** – Retain records for at least **three years** after filing the return (longer if you buy property you depreciate). 9o
5. **Match to return** – Reconcile every contract and stipend to the income reported on Schedule C and every travel receipt to the dates you claimed deductions or excluded stipends. 13b21g



4. Practical workflow for a travel nurse

1. **Create a “Tax-Home Binder” (digital or paper).**
 - Tab 1 – Permanent-residence evidence (lease, utilities, license, voter card).
 - Tab 2 – Duplicate-expense evidence (assignment lodging & home bills for the same months).
 - Tab 3 – Assignment contracts and any extensions.
 - Tab 4 – Travel logs, mileage apps, receipts, and per-diem calculations.
 - Tab 5 – Proof of returns home (flight itineraries, fuel receipts in home city).
2. **Update the binder each time you start, extend, or finish an assignment.** Archive older years but keep them accessible for at least three years.
3. **Run an annual self-audit** before you file: check that every Schedule C travel deduction (or tax-free stipend) ties to a period when you were legitimately “away from home” under the 12-month rule.

5. Common pitfalls that sink a tax-home claim

- **Selling or renting out your residence** while you are on the road—seen as abandonment of your tax home.
- **Letting driver’s license, car registration, or voter record lapse or move** to the work state.
- **Accepting sequential extensions that push you past 12 months** without resetting your documentation; the travel city then becomes your new tax home.
- **Missing receipts or mileage logs**, leaving you unable to satisfy § 274(d) even if the trip itself was valid.

Bottom line

The IRS does **not** certify a travel nurse’s tax home in advance—the burden of proof is yours. By **retaining concrete, dated documents** that show (1) a permanent residence you maintain, (2) real duplicate living costs, and (3) clear evidence that every assignment is temporary, you will have the evidence an examiner needs to accept your tax-home position and the associated deductions or tax-free stipends.



Item 7

Appendix: References

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- [3d] - <https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee>
 - [3h] - <https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee>
 - [3k] - <https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee>
 - [4b] - <https://www.irs.gov/taxtopics/tc762>
 - [5d] - <https://www.irs.gov/newsroom/worker-classification-101-employee-or-independent-contractor>
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