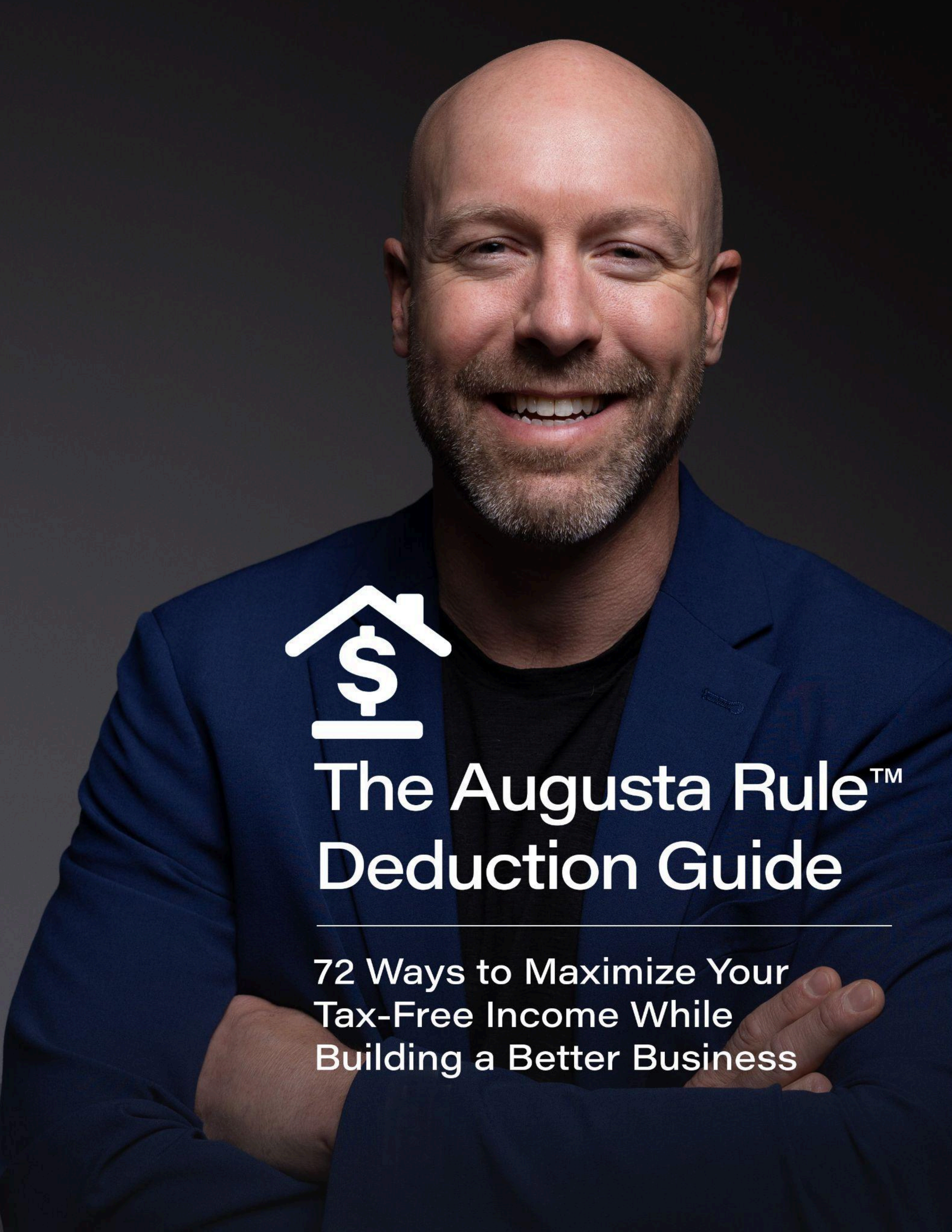

The Augusta Rule™ Deduction Guide

72 Ways to Maximize Your Tax-Free Income While Building a Better Business

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By Nethaniel Ealy & John Hyre

Introduction

There's a perfectly legal way to put thousands of dollars back in your pocket every year while creating legitimate business deductions simultaneously.

This isn't some complex tax loophole or overly aggressive strategy. It's explicitly written into the tax code, hiding in plain sight under Section 280A(g). It's known as the "Augusta Rule", and it's one of the most powerful yet underutilized tax strategies available to business owners today.

As a business owner myself, I understand the frustration of watching hard-earned profits disappear to taxes. I've had that feeling of working harder and harder only to keep less and less. It's why I've made it my mission to put a billion dollars back in the pockets of business owners by 2030, and the Augusta Rule is one of the most powerful tools we have to accomplish this mission.

When I first discovered this strategy, I was skeptical too. It seemed too good to be true. But after implementing it in my businesses and helping many other business owners do the same, I've seen firsthand how transformative it can be.

In large part, because it doesn't require you to change much behavior. Do what you're doing. Just change the place and manner.

Every Augusta Rule meeting after the first (which you have to think about because you're tracking something new) is easy.

In this guide, I'll show you 72 different ways to maximize your Augusta Rule deductions. Whether you're just getting started with this strategy or you've been using it for years, you'll find innovative approaches to increase your tax-free income while strengthening your business operations.

From transforming your home into a high-value meeting venue to creating professional content in a home studio, from hosting strategic planning retreats to conducting specialized training sessions, each idea is designed to help you capture the full potential of this powerful tax provision.

The best part? Everything in this guide is legitimate when implemented correctly. We're not looking for loopholes or gray areas—we're simply using a provision that Congress explicitly wrote into the tax code for your benefit.

So let's get started on this journey together. As you read through these 72 ideas, I encourage you to highlight the ones that resonate with your specific business. Then take action. Because knowledge without implementation won't put a single dollar back in your pocket.

Here's to your financial freedom and building a business that serves your life, not the other way around.

Nethaniel Ealy & John Hyre

Index

General Maximization Strategies

1. Designated Use

Use as many rooms, spaces, and outdoor features as possible for your meeting. The more you utilize it for business purposes, the more you can justify renting if ever challenged. Conversely, write down the rooms and spaces that are excluded (like a home office if you keep one) so that you can maintain the integrity of your deductions.

2. Professional Photography/Videography

Invest in professional photos and videos of your home's meeting spaces. This documentation serves two critical purposes: it showcases the quality of your venue for business purposes and provides compelling evidence to justify fair market value comparisons to premium venues. These professional images become part of your Augusta Rule implementation system and strengthen your position in case of an audit.

3. Seasonal Rate Adjustments

Just like hotels and conference centers, implement seasonal pricing strategies for your home rentals. Charge higher rates during peak business seasons or when local hotels and venues have higher demand. This approach aligns with standard hospitality industry practices and provides a legitimate basis for variable rental rates throughout the year. Research local venue pricing fluctuations to support your seasonal rate structure.

4. Multi-Purpose Space Transformation

Temporarily convert flexible spaces in your home to serve multiple business functions. A dining room can become a conference room, a basement can transform into a training center, and a spare bedroom can function as a production studio. This versatility maximizes the rental value of your home and allows your business to conduct various activities in appropriate settings. Document each configuration with photos and comparable commercial rates.

Property-Related Strategies

5. Luxury Home Premium

If your personal residence is in an upscale neighborhood or has premium features, document comparable luxury venue rates to justify higher rental values. Research what hotels and conference centers charge for their premium spaces, and document the amenities and features that make your home comparable. This approach allows you to capture the true market value of your luxury property when renting it to your business.

6. Waterfront/View Property Advantage

For homes with waterfront access, mountain views, or other premium locations, establish rental rates comparable to retreat centers or executive meeting venues with similar features. These unique attributes create a special environment for business activities and command higher rates in the commercial market. Document how these features enhance the business experience to support your premium pricing.

PS - Don't bring your family to your beach home for the Augusta Rule meeting day. There is case law that shot this down. In this case, the majority of the attendees were non-participating family members who were there for fun, not work, while only a few of the attendees did business. The court counted the people, and more were having "fun" than doing business. As a result, the court said that the purpose of the rental was fun, not business, deduction was disallowed.

7. Home Theater Conversion

Transform your home theater into a professional presentation venue for product launches, training videos, or client presentations. The professional audio-visual setup, comfortable seating, and controlled environment make this an ideal space for media-focused business activities. Research comparable screening rooms or presentation venues to establish appropriate rental rates.

Note: This only works when the screen and video are built-in or hardwired into the room itself. Once you rent them separately, they become taxable personal property and not tax-free personal residence rentals.

8. Outdoor Space Utilization

Leverage landscaped yards and patios as premium event spaces for team-building activities or outdoor strategic planning sessions. Outdoor venues often command premium rates, especially in pleasant weather. Document comparable outdoor event spaces and their rental rates to establish fair market value for your outdoor areas.

Note: If you have a pool, do not emphasize it because it can appear like disallowable "entertainment".

9. Home Spa/Wellness Facilities

Utilize home gym, sauna, or wellness areas for corporate wellness retreats or health-focused business events. As businesses increasingly focus on employee wellness, these spaces provide unique value for specific business purposes. Research corporate wellness retreat venues to establish comparable rates for your wellness facilities.

Note: This is on the aggressive side. The IRS might view it as "Entertainment".

10. Wine Cellar Tastings

Use a home wine cellar for client appreciation events, team celebrations, or strategic partnership meetings with wine tastings. This unique setting creates a premium experience that justifies higher rental rates. Document comparable wine tasting venues or private dining experiences to establish fair market value.

Note: Could be borderline "Entertainment". You decide.

11. Gourmet Kitchen Demonstrations

Leverage a high-end kitchen for cooking team-building events, product demonstrations, or culinary-themed business gatherings. Professional-grade kitchens command premium rates for culinary events. Research cooking schools, demonstration kitchens, and culinary event spaces to establish comparable rental rates.

Note: Conservatively, this makes it easier to serve meals which is legitimate and deductible. Things like cooking classes may be borderline "Entertainment". You decide.

12. Guest House Advantage

Utilize a separate guest house or in-law suite, as long as it's part of the same address, as an executive retreat space or for housing visiting clients/partners during business events. This additional accommodation space adds significant value to your property for business purposes. Research executive retreats with accommodation to establish appropriate rental rates.

13. Home Library/Study Utilization

Position a well-appointed home library as an executive think tank or strategic planning venue. The quiet, thoughtful environment of a library creates an ideal setting for focused business discussions. Document comparable executive meeting spaces to establish fair market value for this unique setting.

International and Multiple Property Strategies

14. Multiple Residence Maximization

If you own multiple residences (primary home, vacation property, etc.), you can implement the Augusta Rule for each property separately. The 14-day limit applies to each property individually, potentially allowing up to 28, 42, or more days of tax-free rental income depending on how many properties you own and how many meetings you can legitimately host. Maintain separate documentation systems for each property to ensure clear compliance.

15. Multiple Business Entity Strategy

For business owners with multiple business entities, consider renting different properties to different businesses. Each business can rent your properties for legitimate business purposes up to 14 days per year. This strategy requires proper documentation showing the business purpose for each entity and maintaining appropriate separation between businesses.

16. Vacation Home Conversion

Transform vacation properties into business retreat centers for intensive planning sessions, team-building events, or executive getaways. Vacation properties often have amenities and settings that command premium rental rates. Research executive retreat centers in similar locations to establish fair market value. Watch out for the “Entertaining” beach house with too many family members present, having non-deductible “fun”.

17. North American Area Homes

If the property is in the North American Area (much of the Caribbean, US, Canada, Mexico, much of Central America), then the business follows the same rules to take a deduction as it would in the US. Make sure your North American home is in a country that qualifies.

18. Other International Business Activities

For international properties outside of the North American Area, the Augusta Rule is much more difficult. Specifically, deducting visits to such properties requires demonstrating that people came from different corners of the earth. For example, a meeting in Paris, we would have to show that most of the attendees are from all over the globe and not just from the US.

19. Seasonal Property Rotation

For owners of properties in different seasonal locations (beach house in summer, mountain home in winter), rotate business activities to maximize the value of each property during its peak season. This approach ensures you're leveraging each property when its rental value is highest. Document seasonal rate fluctuations to support your pricing strategy.

20. Property Portfolio Documentation System

Develop a comprehensive documentation system specifically designed for multiple properties. This system should track which properties are used on which dates, by which business entities, and for what specific business purposes. Maintaining a clear separation in your records is essential for proper implementation across multiple properties. (Or allow us to do it for you. Go to TheAgustaRule.com to learn more.

21. Strategic Property Acquisition

When considering new property purchases, evaluate potential Augusta Rule applications as part of your investment analysis. Properties with features that command premium rental rates (unique locations, special amenities, proximity to business centers) may provide additional tax benefits through the Augusta Rule implementation.

22. Multi-Property Event Series

Design a business event series that utilizes different properties for different purposes or phases. For example, use a primary residence for initial planning, a vacation property for intensive work sessions, and another property for final presentations. This approach maximizes the unique benefits of each property while creating a comprehensive business experience.

Meeting and Event-Based Strategies

23. Board Meeting Series

Schedule quarterly board meetings at your home with formal agendas, presentations, and strategic planning components. The professional, private environment enhances board productivity and justifies premium rental rates. Research executive boardroom rentals to establish fair market value.

Note: It wouldn't hurt to have your attorney write a note that says that you need to have a quarterly meeting to maintain the entity's asset protection features.

24. Annual Strategic Planning Retreat

Host a multi-day strategic planning retreat at your home with comprehensive documentation and deliverables. The immersive, distraction-free environment enhances strategic thinking and planning. Research strategic planning retreat venues to establish comparable rental rates.

25. Client Appreciation Events

Host exclusive client appreciation events or VIP client meetings in your home's premium spaces. The personal touch and exclusive environment create unique value for client relationship building. Research private event venues to establish fair market value.

26. Team Building Workshops

Conduct specialized team-building workshops utilizing unique features of your home (kitchen for cooking challenges, yard for outdoor activities). The combination of meeting space and activity areas creates comprehensive value. Research team-building venues to establish comparable rental rates.

Note: Be careful that this does not morph into the "Entertainment" category by maintaining and documenting a business focus.

27. Product Launch Headquarters

Use your home as headquarters for product launch activities, including planning, training, and celebration events. The centralized, controlled environment enhances launch coordination. Research event venues for product launches to establish fair market value.

28. Sales Team Training

Conduct intensive sales training sessions or role-playing workshops in a comfortable home environment. The private setting allows for focused skill development and practice. Research sales training venues to establish comparable rental rates.

29. Investor Presentations

Host current or potential investors for formal presentations in a professional home setting. The exclusive, private environment enhances investor communications. Research private presentation venues to establish fair market value.

30. Advisory Board Sessions

Establish and host regular advisory board meetings with industry experts to guide business strategy. The professional, confidential setting supports high-level discussions. Research executive meeting venues to establish comparable rental rates.

31. End-of-Year Performance Reviews

Conduct executive or team performance reviews in a private, professional home setting. The confidential, comfortable environment enhances these sensitive discussions. Research private meeting room rentals to establish comparable rates.

Mastermind and Coaching Strategies

32. Executive Mastermind Hosting

Establish your home as the venue for a high-ticket executive mastermind group that meets regularly. The exclusive, premium environment enhances the mastermind experience and justifies premium rental rates. Research executive retreat centers to establish fair market value.

33. VIP Day Experiences

Offer exclusive VIP day coaching experiences at your home for premium clients. The private, focused environment creates an immersive coaching experience. Research executive coaching venues to establish comparable rental rates. Be sure there are at least 3 or more attendees.

34. Small Group Intensives

Host small group coaching intensives or breakthrough sessions in a distraction-free home environment. The intimate setting enhances group dynamics and learning. Research small group retreat venues to establish fair market value.

35. Certification Training Events

Conduct certification or specialized training programs for professionals in your industry. The controlled environment supports focused learning and skill development. Research training facility rentals to establish comparable rates.

36. Peer Advisory Group Facilitation

Host and facilitate peer advisory groups for business owners or executives in your network. The professional, confidential setting enhances peer learning and sharing. Research executive meeting venues to establish fair market value.

37. Expert Roundtables

Organize expert roundtable discussions with industry leaders at your home. The prestigious setting enhances the perceived value of these exclusive gatherings. Research roundtable discussion venues to establish comparable rental rates.

38. Mentorship Program Meetings

Host structured mentorship program meetings or sessions for developing leaders. The professional yet comfortable setting enhances mentoring relationships. Research professional development venues to establish comparable rental rates.

39. Strategic Partner Summits

Host summit meetings with strategic partners to develop collaborative initiatives and joint ventures. The neutral, professional environment enhances partnership discussions. Research executive meeting venues to establish comparable rental rates.

Industry-Specific Strategies

40. Real Estate Investment Analysis Sessions

For real estate investors, host property analysis meetings, deal review sessions, or investor gatherings. The professional environment with space for document review and discussion enhances investment analysis. Research real estate investment meeting venues to establish fair market value.

41. Medical Advisory Boards

For healthcare professionals, host medical advisory board meetings or case review sessions. The private, confidential setting supports sensitive medical discussions. Research medical meeting facilities to establish comparable rental rates.

42. Legal Strategy Sessions

For attorneys, conduct case strategy sessions, mock trials, or legal team collaborations. The confidential, professional environment enhances legal preparation. Research legal meeting venues to establish fair market value.

43. Financial Planning Workshops

For financial advisors, host client financial planning workshops or investment strategy sessions. The professional yet comfortable setting enhances financial discussions. Research financial seminar venues to establish comparable rental rates.

44. Architecture/Design Charrettes

For design professionals, host intensive design charrettes or client presentation meetings. The creative environment with space for drawings and models enhances design work. Research design studio rentals to establish fair market value.

45. Software Development Sprints

For tech companies, conduct focused development sprints or hackathons in a distraction-free environment. The dedicated space with appropriate technology supports intensive coding sessions. Research development space rentals to establish comparable rates.

46. Marketing Campaign Planning

For marketing agencies, host campaign planning sessions, creative brainstorming, or client presentation meetings. The creative, professional environment enhances marketing work. Research creative meeting spaces to establish fair market value.

47. Culinary Research & Development

For food businesses, use your kitchen for recipe development, tasting sessions, or menu planning. The fully-equipped kitchen environment supports culinary innovation. Research test kitchen rentals to establish comparable rental rates.

48. Wellness Practitioner Trainings

For health and wellness businesses, host practitioner training sessions or treatment protocol development. The calm, appropriate environment enhances wellness training. Research wellness training facilities to establish fair market value.

Note: If you do this for more than 14 days the the Augusta rule does not apply.

49. Educational Curriculum Development

For educational businesses, conduct curriculum development workshops or teacher training sessions. The focused environment supports educational planning and development. Research educational planning venues to establish comparable rental rates.

Seasonal and Timing Strategies

50. Tax Season Planning Meetings

Schedule tax planning meetings at your home during the busy season when commercial space is at a premium. The timing increases the value of available meeting space. Research seasonal meeting room rates to establish fair market value during peak periods.

51. Holiday Strategy Sessions

Host year-end or new year strategic planning sessions during holiday periods when commercial venues charge premium rates. The availability during holiday periods adds value. Research holiday period venue rates to establish comparable rental rates.

52. Summer Outdoor Business Retreats

Utilize outdoor spaces during summer months for team retreats that would otherwise require expensive resort bookings. The seasonal outdoor amenities create unique value. Research summer retreat venue rates to establish fair market value.

53. Quarterly Business Reviews

Schedule quarterly business review meetings to coincide with financial reporting periods. The timing aligns with critical business cycles and reporting needs. Research business center rental rates during reporting periods to establish comparable rates.

54. Fiscal Year Transition Planning

Host fiscal year transition planning meetings to maximize deductions in the current tax year. The strategic timing supports both business planning and tax optimization. Research year-end meeting venue rates to establish fair market value.

55. Conference Pre/Post Events

Schedule pre- or post-conference meetings at your home when industry events bring team members to town. The convenient timing and location add value by reducing additional travel. Research meeting venue rates during conference periods to establish comparable rental rates.

56. Seasonal Business Planning

For seasonal businesses, host planning sessions before peak seasons when team availability is highest. The strategic timing supports critical business planning cycles. Research business planning venue rates to establish fair market value.

57. Budget Season Intensives

Host budget planning sessions during budget season when meeting spaces are in high demand. The availability during this critical business period adds value. Research meeting venue rates during budget season to establish fair market value.

58. Annual Compliance Reviews

Schedule annual compliance or regulatory review meetings to ensure consistent documentation. The timing supports critical business compliance activities. Research compliance meeting venue rates to establish comparable rental rates.

Documentation and Compliance Best Practices

This section does not affect the rental valuation like the previous suggestions, but is rather a best practice idea for compliance, etc.

59. Professional Meeting Documentation Service

Hire a professional service (or DIY if you are very detail-oriented and have time to burn) to document your business meetings with comprehensive minutes, photos, and attendance records. The professional documentation strengthens your Augusta Rule implementation and provides valuable business records. Research professional meeting documentation services to establish fair market value.

60. Digital Meeting Archive System

Create a secure digital archive of all meeting documentation, invoices, and payment records for audit protection. The comprehensive record-keeping system strengthens your Augusta Rule implementation. Research digital documentation systems to establish the value of this organizational approach. Consider using a mirror drive or an additional cloud service for extra backups.

61. AI Recording, Summary, & Storage

Combine the above two, easier and cheaper, by buying an AI empowered recording device like Plaud.ai, record your meetings, and create a storage system for TAR meetings in case you need to reference them in the future. This technique creates automatic audit trails of attendance, duration, and content.

62. Professional Venue Comparison Portfolio

Develop a portfolio of professional venue options in your area with detailed pricing for comparison purposes. The comprehensive market analysis supports your rental rate structure. Research commercial venue rates systematically to create this valuable reference.

63. Third-Party Valuation

Obtain a third-party valuation of your home's rental value from real estate professionals or venue consultants. The independent assessment strengthens your rental rate justification. Research professional venue valuation services to establish the cost of this valuable documentation.

64. Corporate Resolution Documentation

Create formal corporate resolutions authorizing the use of personal residences for specific business purposes. The formal governance documentation strengthens your Augusta Rule implementation. Research corporate governance documentation requirements to establish the value of this approach.

65. Professional Invoice System

Implement a professional invoicing system specifically for Augusta Rule rentals with consistent formatting and tracking. The systematic approach strengthens your financial documentation. Research professional invoicing systems to establish the value of this organized approach.

Advanced Maximization Techniques

66. Meetings Without You

Schedule meetings at your residence for your team or clients without having to be there yourself. If you have a legitimate business purpose for which you would pay to rent a facility, you can rent your residence for it instead. Your presence is not required to benefit from the rule.

Note: This is more aggressive in terms of narrative, however, John is comfortable defending.

67. Family Member Property Rental

Utilize properties owned by family members for additional business meeting venues (with proper documentation and fair market value). The expanded property network increases available meeting options. Research family property rental arrangements to ensure proper implementation and documentation.

Note: If truly done for legitimate business purposes, this is a way to give money to your family members (or friends) while saving on taxes. Depending on the relationship, their residences may qualify as yours! See #72

68. Venue Transformation Documentation

Document your investment in the property to justify the rental value (before/after photos, setup costs). The transformation evidence supports the higher valuation of the venue. Research venue setup services to establish the value of this preparation work.

69. Hybrid Meeting Optimization

Create a specialized hybrid meeting setup that accommodates both in-person and virtual participants at premium rates. The technology-enabled hybrid capability adds significant value in today's business environment. Research hybrid meeting venues to establish comparable rental rates.

Note: The in-person portion of the meeting still must be significant and substantial. You can't just rent the space to yourself and have a Zoom meeting in it. There needs to be multiple physical on-site attendees. We require 3+ persons in physical attendance at the AugustaRule.com (spouses count as a single person).

70. Specialized Training Environment

Develop specialized training environments that cannot be easily replicated in commercial venues. The unique training capabilities add significant value for specific business needs. Research specialized training facilities to establish fair market value for your unique setup.

71. Privacy Premium Justification

Document and justify a premium rate for the privacy and confidentiality advantages of meeting in a private residence versus a public venue. The enhanced privacy adds legitimate value for sensitive business discussions. Research private meeting venue rates to establish the privacy premium.

72. Family Qualifying the Property as a Personal Residence

If a member of your family (as defined below) has a residence, it automatically qualifies as a residence for you. Ex. You buy a property that you personally never visit. Your child stays on the property overnight for 14 days or more. That property is now a personal residence for you and your child. Either one of you can use the Augusta Rule with regard to the property. Remember, you can only have up to 14 days of tax-free rental between the two of you at the same property. Other relatives that this works with, brothers, ½ brothers, sisters, ½ sisters, spouses, ancestors (parents, grandparents, great-grandparents).

Conclusion

As we wrap up this guide to maximizing your Augusta Rule deductions, it's important to recognize that this strategy represents a significant opportunity to save taxes while strengthening your business operations via useful meetings. When implemented correctly, the Augusta Rule creates a mutually beneficial arrangement—your business gains valuable meeting & workspace while you receive tax-free income.

The key to successful implementation lies in documentation and establishing fair market value. Always ensure your rental rates are comparable to what your business would pay elsewhere for similar facilities and services. Document everything thoroughly, from the business purpose to the fair market value justification to the actual meetings themselves.

Consider starting with just one or two meeting types that align with your specific business needs and home situation. Implement them thoroughly, document them properly, and experience the benefits firsthand. Then, as you grow more comfortable with the process, expand your implementation to capture more of the opportunities outlined in this guide.

Remember that the Augusta Rule isn't a loophole—it's an explicit provision in the tax code designed to be used as we've outlined. By implementing these strategies systematically and with proper documentation, you're simply taking advantage of a tax benefit that many business owners overlook.

Thank you for exploring these strategies. I hope this guide helps you implement the Augusta Rule effectively in your business and put thousands of dollars back in your pocket every year.

Nethaniel Ealy & John Hyre

Next Steps

1. Go to www.TheAugustaRule.com/Save
2. Book a Consultation for Custom Implementation

SCAN ME!