The Augusta Rule

The Strategy in 60 Seconds

Rent your home to your own business fourteen days a year and pay zero tax on that rent. Here's exactly how, in sixty seconds.

DAY 15

Cross it and every rental dollar becomes reportable income

How The Augusta Rule Works

- **Your business rents your home - Real meetings, real business purpose**
- **14 rental days or fewer per year - Per property, per calendar year**
- **Business deducts, you exclude - Rent income is not taxable to you**

What You Must Document

- Written rental agreement
- Board resolution
- Invoice from you
- Canceled check or transfer
- Meeting agenda and notes
- Rate comps printed

No documentation, no deduction

The Law Behind It (primary sources)

Verify against the source before relying. This is education, not legal or tax advice.

26 U.S.C. Sec. 280A(g) - Dwelling rented fewer than 15 days a year: the rental income is excluded from your gross income (the Augusta Rule itself).

https://www.law.cornell.edu/uscode/text/26/280A

26 U.S.C. Sec. 162(a) - The business deducts the rent as an ordinary and necessary business expense - if it is a real business purpose at a fair rate.

https://www.law.cornell.edu/uscode/text/26/162