

CHECKLIST OF TAX DEDUCTIBLE EXPENSES

Admission fees: lawyers and other professionals	No
Airport lounge membership: to the extent used for business or work-related purposes	Yes
Bank charges: Charges relating to investment income are claimable. Transaction fees are not.	Yes
Bribes to government officials:	No
Briefcase: if used for work / business purposes. Claim in full if the cost is \$300 or less. Depreciate if the cost is more than \$300	Yes
Calculators & electronic organisers: Those costing more than \$300 each are depreciated. Those costing less than \$300 each are claimed fully in the year acquired.	Yes
Car: see Travel	Yes
Child care fees:	No
Cleaning: of protective clothing and uniforms – see “Laundry”	Yes
Clothing, uniforms, footwear – including cleaning and purchase of: <ul style="list-style-type: none"> ▪ compulsory uniform (i.e. with logo) ▪ non-compulsory uniform registered with Ausindustry ▪ Occupation specific e.g. nurses, chefs ▪ Protective – i.e. protects person or their conventional clothing (includes sun protection) 	Yes Yes Yes Yes
Club membership fees:	No
Coaching classes: for performing artists to maintain existing skills or obtain related skills	Yes
Computers: Business / work use portion claimable. Private use is not	Yes
Conferences: Claimable if designed to maintain or increase employee’s skill, knowledge or ability	Yes
Conventional clothing:	No
Depreciation: Tools and equipment costing more than \$300 each are depreciated. Those costing less than \$300 each are claimed fully in the year acquired.	Yes
Donations: See “Gifts”	
Driver’s license: Cost of acquiring and renewing	No
Dry cleaning: Allowed if the cost of the clothing is also deductible. See also “Laundry”	Yes
Election expenses of candidates: No limit for Federal, State and Territory. Limit of \$1,000 for Local Government	Yes
Employment agreements: Existing employer. Not available for new business/employer	Yes
Entertainment expenses:	No
Fines: Imposed by court, or under law of Commonwealth, State, Territory or foreign country .	No
First Aid course: Provided it is directly related to employment or business activities.	Yes
Fitness Expenses: No. Not even deductible for a PE teacher	No
Gaming license: Hospitality industry	Yes
Gifts of \$2 or more: <ul style="list-style-type: none"> ▪ If made to approved “deductible gift recipient” body or fund. See ato.gov.au for a full list. ▪ Gifts to clients 	Yes No
Glasses and contact lenses (prescribed): Not deductible unless they would qualify as protective clothing. However would be claimable under medical expenses offset.	No
Glasses and goggles - protective:	Yes

Grooming:	No
HELP/HECS repayments	No
Hire of Equipment – work related usage is claimable	Yes
Home office expenses: - for work you do at home e.g. after hours <ul style="list-style-type: none"> ▪ Utility running costs e.g. heat, light, power ▪ Depreciation of office furniture ▪ Contents insurance – relating to office equipment ▪ Computer and Internet ▪ Cleaning of office ▪ Occupancy expenses: e.g. rent, rates, land tax, mortgage interest, building insurance 	Yes Yes Yes Yes Yes No
Home office expenses: - for room set aside for business use only where you run your business at home eg chiropractor, Tupperware, <ul style="list-style-type: none"> ▪ Utility running costs e.g. heat, light, power ▪ Depreciation of office furniture ▪ Contents insurance – relating to office equipment ▪ Computer and Internet ▪ Cleaning of office ▪ Occupancy expenses: e.g. rent, rates, land tax, mortgage interest, building insurance 	Yes Yes Yes Yes Yes Yes
Income continuance insurance: e.g. income protection insurance - allowed only if the proceeds are assessable.	Yes
Insurance – sickness or accident: If benefits would be assessable income	Yes
Interest: <ul style="list-style-type: none"> ▪ Allowed if money borrowed for work-related purposes or to finance income earning assets. ▪ Interest paid on underpayment of tax (eg. General interest charge) is deductible. ▪ Fines and administrative penalties are not deductible. ▪ Interest on capital protection loans deductible except for non-deductible capital protection component. 	Yes Yes No Yes
Internet and computer equipment: <ul style="list-style-type: none"> ▪ To the extent incurred in deriving individual's work-related income ▪ To extent used in carrying on a business ▪ To extent used in earning investment income (eg. share investing) 	Yes Yes Yes
Laundry and maintenance: Allowed if the cost of clothing is allowable (see "Clothing"). Reasonable claims of up to \$150 do not need to be substantiated	Yes
Legal expenses: Renewal of existing employment contract	Yes
Meals: <ul style="list-style-type: none"> ▪ Eaten during normal working day ▪ Meals acquired when travelling overnight for work-related purpose ▪ Meals when travelling (not overnight) ▪ Overtime meals: If allowance received under award 	No Yes No Yes
Medical Examination: Only if from the referral of a work-related business licence	Yes
Motor vehicle expenses: See "Transport expenses"	
Newspapers: <ul style="list-style-type: none"> ▪ Claims may be allowed in limited circumstances if directly related to earning investment income ▪ Otherwise no 	Yes No
Overnight travel expenses, meals & accommodation, when required to travel for work	Yes
Overtime meal expenses: Only if award overtime meal allowance is received	Yes

Parking fees and tolls: Includes bridge and road tolls (but not fines) paid while travelling for work related purposes	Yes
Photographs (performing arts) <ul style="list-style-type: none"> ▪ Cost of maintaining portfolio ▪ Cost of preparing folio 	Yes No
Practising certificate: Applies to professional employees	Yes
Prepaid expenditure for tax shelter arrangements: They must be spread over the period in which the services are provided	Yes
Prepaid expenses: Non-business individuals and SBE taxpayers claim is fully deductible if services are to be performed in period not exceeding 12 months. All other taxpayers must apportion claim over the period of service	Yes
Professional association fees	Yes
Professional library (books, cds, videos etc): <ul style="list-style-type: none"> ▪ Established library (depreciation allowed) ▪ New books: full claim if cost \$300 or less (includes a set if total cost is \$300 or less) ▪ New books: depreciation if cost over \$300 (includes a set if total cost more than \$300) 	Yes Yes Yes
Protective equipment: Includes harnesses, goggles, safety glasses, breathing masks, helmets, and boots. Claims for sunscreens, sunglasses, and wet weather gear allowed if used to provide protection from natural environment	Yes
Removal and relocation costs: If paid by the employer	No
Repairs (to income producing property/or work-related equipment)	Yes
Self-education Costs: Claims for fees, books, travel (see below) and equipment etc. only allowed if there is a direct connection between the course and the person's income earning activities. No claim for the first \$250 if course is undertaken at school or other educational institution and the course confers a qualification. However, that first \$250 can be offset against private expenses, eg. travel, child minding fees etc.	Yes
Seminars: Including conference and training courses if sufficiently connected to work activities Including travel to and from seminar	Yes Yes
Social functions	No
Software	Yes
Stationery (diaries, log books etc)	Yes
Subscriptions: <ul style="list-style-type: none"> ▪ Publications if a direct connection between the publication and income earned by the taxpayer ▪ Professional associations. Maximum of \$42 if no longer gaining assessable income from that profession ▪ Sports clubs 	Yes Yes No
Sun protection: Claims for sunglasses, hats and sunscreen allowed for taxpayers who work outside	Yes
Superannuation contributions: Claims allowed for employees and self-employed persons if their employment income* is less than 10% of their total assessable income* * including reportable fringe benefits and reportable super contributions	Yes

Supreme Court library fees: Applies to barristers and solicitors if paid on annual basis	Yes
Tax agents fees <ul style="list-style-type: none"> ▪ Deduction can be claimed in the income year the expenses is incurred ▪ Travel and accommodation expenses if for travel to a tax agent or other recognised tax adviser to obtain tax advice, have returns prepared, be present at audit or object against an assessment ▪ Costs of other incidentals if incurred in having tax return prepared, lodging an objection or appeal or defending an audit 	Yes Yes Yes
Teaching aids, equipment, books, DVDs, stationery	Yes
Technical and professional publications	Yes
Telephones and other telecommunications equipment (including mobile phones, pagers and beepers). <ul style="list-style-type: none"> ▪ Cost of telephone calls (related to work purposes) ▪ Installation or connection ▪ Rental charges (if “on call” or required to use on regular basis) ▪ Silent telephone number 	Yes No Yes No
Tools (work related only) <ul style="list-style-type: none"> ▪ If cost is \$300 or less ▪ If cost more than \$300 (no, but depreciation applies) 	Yes No
Trauma insurance: If benefits are capital in nature (eg lump sum instead of income replacement)	No
Travel expenses Including public transport, motor vehicles and motorcycles, fares, accommodation, meals and incidentals. <u>Claimable</u> <ul style="list-style-type: none"> ▪ Where employee has no usual place of employment (eg. travelling salesperson) ▪ If actually working before leaving home (eg. doctor giving instructions over phone from home. Note that this applies in limited circumstances only) ▪ Must transport bulky equipment (eg. builder with bulky tools and no place to keep them at work) ▪ Travel from home to alternate work place (for work related purposes) and return to normal work place (or directly home) ▪ Travel between normal work place and alternate place of employment (or place of business) and return (or directly home) ▪ Travel between two work places ▪ Travel in course of employment ▪ For Work Related Self Education:- <ul style="list-style-type: none"> - Work to place of education to home – first leg only (second leg include in Category E threshold) - Home to place of education to work– first leg only (second leg include in Category E threshold) - Work to place of education and back – both legs - Home to place of education and back – both legs <u>Not Claimable</u> <ul style="list-style-type: none"> ▪ Travel between home and work ▪ If “on call” ▪ Travel from home which is a place of business to usual place of employment ▪ Travel accompanied by relative: May be allowed if the relative is also performing work-related duties 	Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes No No No No
Union and professional association fees	Yes
Vaccinations	No
Union levies (other than association fees)	No
Watch: if job specific such as nurse’s fob watch, sports teacher’s dedicated stop watch.	Yes