



THE INCOME TAX
PROFESSIONALS



SALES AND
MARKETING

DEDUCTIONS YOU CAN CLAIM

CAR EXPENSES

✓ **You can claim** a deduction when you are:

- ▶ Driving between separate workplaces (eg a second job)
- ▶ Regularly working at more than one site each day before returning home
- ▶ Driving to and from an alternate workplace for the same employer (eg driving to meet clients)
- ▶ Transporting bulky equipment provided you meet the following criteria:
 - › Your employer required you to transport the equipment to work
 - › It was essential to earning your income
 - › There was no secure area to store the equipment at work
 - › It was bulky (around 20kg) and cumbersome to transport.

You need to keep a record of your work-related car expenses using a logbook or be able to demonstrate a reasonable calculation using the cents per kilometre method.

✗ **You can't claim** the cost of normal trips between home and work, even if you live a long way from your usual workplace or have to work outside normal business hours. This includes parking fees and tolls when you drive to and from work.

If you salary sacrifice your car this means your employer is covering the costs and you cannot claim a deduction.

SELF-EDUCATION AND PROFESSIONAL DEVELOPMENT EXPENSES

✓ **You can claim** for self-education expenses if your course relates directly to your current job (eg a marketing course).

✗ **You can't claim** a deduction if your study is only related in a general way or is designed to help get you a new job (eg you can't claim the cost of study to enable you to move from being a receptionist to being a real estate agent).

TO CLAIM A DEDUCTION FOR WORK RELATED EXPENSES

You can only claim the work-related part of expenses. You can't claim a deduction for any part of the expense that relates to personal use

- ✓ You must have a record to prove it.*
- ✓ You must have spent the money yourself and weren't reimbursed
- ✓ It must be directly related to earning your income

*Use the ITP app to keep track of your expenses.

TRAVEL EXPENSES

✓ **You can claim** a deduction for travel expenses if you are required to travel overnight from your usual work location (eg for a sales conference), provided the cost was incurred while carrying out your work duties. Travel expenses may include meals and accommodation, fares, petrol and incidentals such as parking fees and tolls.

Receiving a travel allowance from your employer does not automatically entitle you to a deduction. You still need to show that you were away overnight, you spent the money yourself, and the travel was directly related to earning your income (eg it was not a personal expense).

CLOTHING EXPENSES

✓ **You can claim** for the cost of buying, hiring, mending or cleaning certain uniforms that are unique to your job, or protective clothing that your employer requires you to wear.

✗ **You can't claim** claim a deduction for the cost of buying or cleaning plain clothing worn at work, even if your employer tells you to wear it (eg a business suit).

HOME OFFICE, PHONE AND INTERNET EXPENSES

✓ **You can claim** a percentage of the running costs of your home office if you have to work from home, including depreciation of office equipment, work-related phone calls and internet access charges, and electricity for heating, cooling and lighting costs.

If you are required to purchase equipment for your work and it costs more than \$300, you can claim a deduction for this cost spread over a number of years (depreciation).

If you keep a diary of your home office usage, you can calculate your claim quickly using the home office expenses calculator.

✗ **You generally can't claim** the cost of rates, mortgage interest, rent and insurance.



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