



CAN I DEDUCT IT ON MY TAXES?

This checklist is designed to help individual taxpayers understand what items can and can't claim, helping you maximise your tax benefits.

ITEM	DESCRIPTION	Deductible
ADMISSION FEES	For lawyers and other professionals. Disallowed as this is a capital cost.	No
AIRPORT LOUNGE MEMBERSHIP	Deductions to the extent used for work-related purposes.	Yes
ANNUAL PRACTICING CERTIFICATE	Applies to professional persons and other contractors who must pay an annual fee to practice in their chosen field.	Yes
BANK CHARGES	Deductions are allowed if account mainly earns interest. NOT private transaction fees.	Yes
BRIEFCASE	If used for work and/or business purposes the cost is fully deductible if \$300 or less. If more than \$300, it must be depreciated.	Yes
CALCULATORS + ELECTRONIC ORGANISERS	If used for work and/or business purposes the cost is fully deductible if \$300 or less. If more than \$300, it must be depreciated.	Yes
CHILDCARE FEES		No
CLOTHING, UNIFORMS + FOOTWEAR	<ul style="list-style-type: none">• <u>Compulsory Uniform</u>. Uniform must be unique and, to an organisation (e.g. corporate uniform)• <u>Non-Compulsory Uniform</u>. If on a register kept by the Department of Industry, Science and Tourism.• <u>Occupational Specific</u>. The clothing identifies a trade, vocation or profession (e.g. chefs and nurses)• <u>Protective</u>. Must be used to protect the person or their conventional clothing. May include sunscreen.	Yes
CLUB MEMBERSHIP FEES		No
COACHING CLASSES	Allowed to performing artists to maintain existing skills or obtain related skills	Yes
COMPUTER + SOFTWARE	Software is generally deductible if it costs less than \$300, otherwise deductible over 2.5 years.	Yes
CONFERENCES, SEMINARS + COURSES	Allowed if designed to maintain or increase employee's knowledge, skills or ability.	Yes
CONVENTIONAL CLOTHING	Unless deemed to be stage clothing for an arts performer.	No
COVID-19 TESTS	If test used for work related purpose, you paid for it and it was not reimbursed to you by your employer, and was a PCR or RAT test. NOTE: Not deductible if you work from home and don't intend to attend your workplace.	Yes
CRYPTOCURRENCY SOFTWARE		Yes

ITEM	DESCRIPTION	Deductible
DEPRECIATION	Tools, equipment, and plant used for work purposes for each item costing more than \$300. Items costing \$300 or less are deductible outright in the year of acquisition.	Yes
DRIVER'S LICENCE	Cost of acquiring and renewing.	No
DRY CLEANING	Allowed if the cost of the clothing is also deductible. See also 'Laundry'.	Yes
ENTERTAINMENT EXPENSES		No
FINES	Imposed by court, or under law of Commonwealth, State, Territory or foreign country (s26-5).	No
FIRST AID COURSE	Provided it is directly related to employment or business activities.	Yes
GAMING LICENCE	Hospitality industry.	Yes
GIFTS / DONATIONS OF \$2 OR MORE	If made to an approved 'deductible gift recipient' body or fund. See ato.gov.au for a full list. Gifts to clients are deductible if employees can demonstrate a direct connection with earning assessable income.	Yes
GLASSES + CONTACT LENSES (PRESCRIBED)	These would qualify as medical expenses (which themselves are being phased out). Deductible if 'protective clothing'.	No
GLASSES + GOGGLES	Protective only	Yes
GROOMING	Unless employed as aircraft cabin crew or a performing artist (limits apply)	No
HELP / HECS REPAYMENTS		No
HOME OFFICE EXPENSES	<p>If you perform some of your work from your home office, you may be able to claim a deduction for the costs you incur in running your home office.</p> <ul style="list-style-type: none"> <u>Running Expenses</u>. For example, electricity, gas and depreciation of office furniture (e.g. desk, tables, chairs, cabinets, shelves, professional library). <u>Occupancy Expenses</u>. For example, rent, insurance, rates and land tax. <p>Deductible only to the extent that a portion of the home is used as a place of business and has the characteristics of a business.</p>	Yes
INCOME PROTECTION INSURANCE	Allowed only if the proceeds upon a claim are assessable.	Yes
INSURANCE – SICKNESS OR ACCIDENT	Allowed only if the proceeds upon a claim are assessable.	Yes
INTEREST	Allowed if money borrowed for work-related purposes or to finance income earning assets. Interest paid on underpayment of tax (e.g. General interest charge) is deductible. Fines and administrative penalties are not deductible. Interest on capital protection loans is deductible, except for a non-deductible capital protection component.	Yes
INTERNET + COMPUTER EQUIPMENT	Expenses allowed to the extent incurred in deriving an individual's work-related income, carrying on a business or earning investment income (e.g. share investing).	Yes



ITEM	DESCRIPTION	Deductible
LAUNDRY + MAINTENANCE	Allowed if the cost of clothing is allowable (see 'Clothing, Uniforms and Footwear'). 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 an award 	No Yes No Yes
MEDICAL EXAMINATION	Only if from the referral of a work-related business licence and shown on your payment summary, not to obtain a job as this would be classified as capital in nature.	Yes
NEWSPAPERS	Claims may be allowed in limited cases if the publication is directly related to income-producing activities.	No
OVERTIME MEAL EXPENSES	Only if award overtime meal allowance received.	Yes
PARKING FEES + 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 portfolio 	Yes No
PRACTISING CERTIFICATE	Applies to professional employees.	Yes
PREPAID EXPENSES	Non-business individuals and Small Business Entity (SBE) taxpayers claim is fully deductible if services are to be performed in a period not exceeding 12 months. All other taxpayers must apportion claim over the period of service.	Yes
PROFESSIONAL LIBRARY VIDEOS ETC)	<ul style="list-style-type: none"> <u>Established library</u>. (depreciation allowed) <u>New Books</u>. Full claim if cost \$300 or less (includes a set if total cost is \$300 or less) <u>New Books</u>. Depreciation if cost over \$300 (includes a set if total cost is more than \$300) 	Yes
PROFESSIONAL ASSOCIATION FEES		Yes
PROTECTIVE EQUIPMENT	Includes harnesses, goggles, safety glasses, breathing masks, helmets, and boots. Claims for sunscreen, sunglasses and wet weather gear allowed if used to provide protection from natural environment.	Yes
REMOVAL + RELOCATION COSTS	If paid by the employer, may be exempt from FBT, but deductible.	No
REPAIRS	To income producing property / or work-related equipment.	Yes
SOCIAL FUNCTIONS		No
SEMINARS	Including conferences and training courses if sufficiently connected to work activities.	Yes



ITEM	DESCRIPTION	Deductible
SELF-EDUCATION COSTS	Claims for tuition fees, books, travel, stationery and equipment etc. only allowed if there is a direct connection between the course and the person's income earning activities	Yes
STATIONERY	Diaries, log books, pens, papers etc.	Yes
SUBSCRIPTIONS	<ul style="list-style-type: none"> Publications if a direct connection between publication and income earned by taxpayer Professional associations. Maximum of \$42 if no longer gaining assessable income from that profession Sports club 	Yes Yes No
SUN PROTECTION	Claims for sunglasses, hats and sunscreen allowed for taxpayers who work outside.	Yes
SUPERANNUATION CONTRIBUTIONS	Claims allowed in respect of employees of your business. Personal superannuation contributions. To claim your deduction, you need to provide acknowledgement from your superannuation fund that you have submitted an intention to claim form with them. No deduction is available for interest on borrowed monies used to finance deductible personal superannuation contributions.	Yes
TAX AGENT FEES	(Deduction can be claimed in the income year the expense 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 an audit or object to an assessment. Cost of other incidentals if incurred in having tax return prepared, lodging an objection or appeal or defending an audit.	Yes
TECHNICAL + PROFESSIONAL PUBLICATIONS		Yes
TELEPHONES + OTHER TELECOMMUNICATIONS EQUIPMENT	<ul style="list-style-type: none"> Including mobiles, pagers and beepers. Cost of telephone calls (related to work purposes) Installation or connection (depreciable if dedicated to earning business income) Rental charges (if 'on call' or required to use on regular basis) Silent telephone number. 	Yes No Yes No
TOOLS	Work related only. If cost is \$300 or less. If cost more than \$300, the amount would be depreciable, and the amount deductible equals to the decline in value.	Yes
TRAUMA INSURANCE	If benefits capital in nature.	No
TRAVEL EXPENSES	<ul style="list-style-type: none"> Where employee has no usual place of employment (e.g. travelling salesperson). If you're working before leaving home (e.g. doctor giving instructions over phone from home. Note that this applies in limited circumstances only). Must transport bulky equipment (e.g. builder with bulky tools) and no reasonable place to leave at work. (Under scrutiny by the ATO currently) 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: See Substantiation rules at Section 12.210 	Yes



ITEM	DESCRIPTION	Deductible
TRAVEL EXPENSES	<ul style="list-style-type: none">• Including public transport, motor vehicles and motor cycles, fares, accommodation, meals and incidentals for 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 relative is also performing work-related duties)	No
UNION ASSOCIATION FEES	Union and professional association	Yes
VACCINATIONS		No
WATCH	Unless job specific such as a nurse's fob watch.	No

QUESTIONS?

If you have any questions about items that are deductible, feel free to reach out to Ignite Accountants tim@igniteacc.com.au