



Gifts and donations

When can I claim?

- ✓ You can claim a deduction for a donation you make to an organisation if the donation meets four conditions:
 - You make it to a deductible gift recipient (DGR)
 - It must truly be a donation. A donation is a voluntary transfer of money or property where you receive no material benefit or advantage*
 - It must be money or property, which includes financial assets such as shares
 - You have a record of the donation (eg a receipt).

* If you receive a material benefit – that is if the donor receives something which has a monetary value from the DGR in return for their donation – it is considered a contribution, and extra conditions apply. Visit ato.gov.au/gift-or-contribution for more information.



What is a DGR?

A deductible gift recipient (DGR) is an organisation or fund that can receive tax deductible gifts.

Not all charities are DGRs. For example, in recent times there has been an influx of crowdfunding campaigns. Many of these crowdfunding websites are not run by DGRs.

You can check whether your donation was made to an endorsed DGR on the Australian Business Register website abn.business.gov.au/DgrListing.aspx.



What records do I need?

- ✓ You should keep records of all tax deductible gifts and contributions you make.

When you make a donation, the DGR will usually issue you with a receipt – but they don't have to. If this is the case, in some circumstances, you can still claim a tax deduction by using other records, such as bank statements.

If a DGR issues a receipt for a deductible gift, the receipt must state:

- the name of the fund, authority or institution to which the donation has been made
- the DGR's ABN (if any – some DGRs listed by name might not have an ABN)
- that the receipt is for a gift.

If you give through a workplace giving program your payment summary or a written record from your employer is sufficient evidence.

Bucket donations

- ✓ If you made one or more donations of \$2 or more to bucket collections conducted by an approved organisation for natural disaster victims, you can claim a tax deduction of up to \$10 for the total of those contributions without a receipt. Further information is available on the **ATO website**.



When you can and can't claim a deduction

- ✔ You may be able to claim a deduction when:
 - the gift or donation is \$2 or more and you have a record of the donation
 - you donate property or shares, however special rules apply (see ato.gov.au/gifts-and-fundraising-rules)
 - there are special circumstances under the Heritage and Cultural gift programs where donations can also be deductible (see ato.gov.au/cultural-gifts for more detail).
- ✘ You can't claim gifts or donations as a deduction when it is for:
 - the purchase of raffle or art union tickets (eg RSL Art Union Prize home)
 - the purchase of fundraising items such as chocolates, badges and pens
 - the cost of attending fundraising dinners, even if the cost exceeds the value of the dinner
 - payments to school building funds made, for example, as an alternative to an increase in school fees
 - gifts to families and friends regardless of the reason
 - donations made under a salary sacrifice arrangement
 - donations made under a will.

Gifts and donations to political parties and independent candidates and members

In some circumstances, your gifts and donations to registered political parties and independent candidates may be claimed as a deduction.

Your gift or donation must be \$2 or more and be money or property that you purchased during the 12 months before making the donation. This includes if you pay a membership subscription to a registered political party. You must also make the gift or donation as an individual, not in the course of carrying on a business, and it can't be a testamentary donation.

The most you can claim in an income year is:

- \$1,500 for contributions and gifts to political parties, and
- \$1,500 for contributions and gifts to independent candidates and members.

To claim a deduction you must keep a written record of your donation.

To find out who is registered, go to: ato.gov.au/political-gifts.



This is a general summary only.

For more information, speak with your tax agent or visit ato.gov.au/gifts-and-donations



Car expenses

What's under the bonnet?

If you use your **own** car for work purposes, you can claim a deduction using the **cents per kilometre** method or **logbook** method. If you use someone else's car for work purposes, you can only claim for direct costs you pay for – such as fuel.

You can claim a deduction for car expenses if:

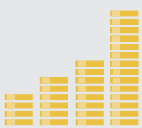
- ✓ you use your car in the course of performing your work duties
- ✓ you attend work-related conferences or meetings away from your normal workplace
- ✓ you travel directly between two separate places of employment and one of the places is not your home
- ✓ you travel from your normal workplace to an alternative workplace and back to your normal workplace
- ✓ you travel from your home to an alternative workplace and then to your normal workplace
- ✓ you perform itinerant work.



Remember

- ✗ You can't claim a deduction for normal daily journeys between home and work except in limited circumstances where you carry bulky tools or equipment (such as an extension ladder or cello) that:
 - your employer requires you to use for work
 - you cannot leave at work.
- ✗ If travel is partly private, you can only claim the work-related portion.
- ✗ You can't claim a deduction for car expenses that have been salary sacrificed.
- ✗ You can't claim a deduction if you have been reimbursed for it.

You can calculate your car expenses in two ways



Cents per kilometre method

- You can claim a maximum of 5,000 business kilometres per car, using this method.
- Your claim is based on 66 cents per kilometre.
- You don't need written evidence but you need to be able to show how you worked out your business kilometres (for example, by producing diary records of work-related trips).

Logbook method

- Your claim is based on the business-use percentage of expenses for the car.
- Expenses include running costs and decline in value. You can't claim capital costs, such as the purchase price of your car, the principal on any money borrowed to buy it and any improvement costs (eg: adding paint protection and tinted windows).
- To work out your business-use percentage, you need a logbook and the odometer readings for the logbook period. The logbook period is a minimum continuous period of 12 weeks.



- You can claim fuel and oil costs based on your actual receipts or you can estimate the expenses based on odometer records that show readings from the start and the end of the period you used the car during the year.
- You need written evidence for all other expenses for the car.

Your vehicle is **not** considered a car if it is a motorcycle or a vehicle with a carrying capacity of:

- ✗ one tonne or more, such as a utility truck or panel van
- ✗ nine passengers or more, such as a minivan.

You can only claim your actual expenses for these vehicles. You cannot use the cents per kilometre method and must use a logbook to show your work-related use.

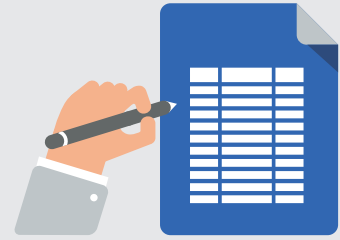
Keeping a logbook

Your logbook must cover at least **12 continuous weeks**. If you started using your car for work-related purposes less than 12 weeks before the end of the year, you can extend the 12-week period into the next financial year.

If you are using the logbook method for two or more cars, keep a logbook for each car and make sure they cover the same period.

Your 12 week logbook is valid for 5 years. However, if your circumstances change (eg, you change jobs) and the logbook is no longer representative, you will need to complete a new 12 week logbook.

Your logbook can be electronic or paper. The example below has the details you need to keep.



Car details

Make:

Holden

Model:

Barina

Engine capacity:

2.4L

Registration number:

ABC 123

Journey start date	Odometer reading at start of journey	Journey end date	Odometer reading at end of journey	Reason for the journey	Total kilometres travelled
27 August 2017	10,200km	27 August 2017	10,210km	Private – take kids to school	10km
27 August 2017	10,210km	27 August 2017	10,230km	Private – travel to work	20km
27 August 2017	10,230km	27 August 2017	10,245km	Business – travel to offsite client meeting	15km
27 August 2017	10,245km	27 August 2017	10,260km	Business – return to office	15km
27 August 2017	10,260km	27 August 2017	10,280km	Private – travel from office to home	20km

Calculate your work-related car use

(Complete this section after 12 continuous weeks of logbook use)

Logbook period (dd/mm/yy to dd/mm/yy) 01/09/17 to 21/11/17

a) Calculate the **total** number of kilometres travelled during the logbook period:

4,200km

b) Calculate the number of kilometres you travelled in the course of earning your income during the logbook period:

1,470km

c) Calculate the work-related use by dividing the amount at (b) by the amount at (a). Multiply this figure by 100.

Your business use percentage is: 35%

Once you've calculated your business use percentage, multiply it by your car expenses to figure out your claim.

Car expenses can include running costs such as fuel, oil, and servicing, registration, insurance and vehicle depreciation. You can claim fuel and oil costs based on receipts or you can estimate the expenses based on odometer records that show readings from the start and end of the period you used the car during the year.

You need written evidence for all other expenses for the car.

The **ATO app's myDeductions** tool can be used to record work-related car trips as well as any car expenses. You can share your myDeductions records directly with your agent at tax time. For more information, visit ato.gov.au/mydeductions.

For more information, speak with your tax agent or visit ato.gov.au/carexpenses



Clothing and laundry

It pays to learn what you can claim at tax time

You can claim a deduction for the cost of buying and cleaning: **occupation-specific clothing, protective clothing and unique, distinctive uniforms.**

✔ **You can claim** a deduction for occupation-specific clothing. This means it is specific to your occupation, is not everyday in nature and allows the public to easily recognise your occupation.

An example is the checked pants a chef wears.

✔ **You can claim** a deduction for **protective clothing and footwear** you wear to protect yourself from the risk of illness or injury posed by the activities you undertake to earn your income. The clothing must provide a sufficient degree of protection against that risk.

Examples include:

- fire-resistant and sun-protection clothing
- hi-vis safety vests
- non-slip nurse's shoes
- steel-capped boots
- overalls, smocks and aprons you wear to protect your ordinary clothes from soiling or damage.

✔ **You can claim** a deduction for a **compulsory or non-compulsory uniform** that is unique and distinctive to the organisation you work for.

Clothing is:

- **unique** if it has been designed and made only for the employer
- **distinctive** if it has the employer's logo permanently attached and the clothing is not available to the public.

✘ **You can't claim** a deduction for the cost of purchasing or cleaning clothes you bought to wear for work that are not specific to your occupation, such as black trousers and a white shirt, or a suit, even if your employer says this is compulsory.

These items are conventional, not usually a specific type and not sufficiently distinctive or unique to your employer.

✘ **You can't claim** a deduction for ordinary clothes (such as jeans, drill shirts, shorts, trousers, socks or closed shoes) as they lack protective qualities designed for the risks of your work.



A **compulsory work uniform** is a set of clothing that identifies you as an employee of an organisation with a strictly enforced policy that makes it compulsory for you to wear the uniform while you're at work.

✔ **You can claim** a deduction for shoes, socks and stockings where they are an essential part of a distinctive, compulsory uniform, and where their characteristics (colour, style and type) are specified in your employer's uniform policy.

✔ **You can claim** a deduction for a single item of distinctive clothing, such as a jumper, if it's compulsory for you to wear it at work.



A **non-compulsory uniform** is a set of clothing and accessory items (not protective or occupation-specific) that:

- distinctly identifies a particular employer, product or service
- is not compulsory for employees to wear to work.

✔ **You can only claim** expenses incurred for a **non-compulsory work uniform** if your employer has registered the design with AusIndustry.

✘ Shoes, socks and stockings **can never** form part of a **non-compulsory work uniform**.

✘ **You can't claim** a deduction for a single item of **non-compulsory uniform**, such as a jumper.

Situation	Clothing deductible	Laundry deductible	Reason
Your employer tells you to wear plain black pants and a black polo shirt	❌	❌	Conventional clothing that is not distinctive to your employer
Your employer tells you to wear plain black pants and supplies a top with a logo that is unique and distinctive to your employer	❌	✅ Top	<p>Top</p> <p>You are required to wear the top and it is unique and distinctive to the organisation you work for</p> <p>Pants</p> <p>Black pants are everyday in nature and not sufficiently distinctive or unique to your employer – a colour requirement is not enough</p>
Your employer tells you to purchase and wear a specific top with a logo on it and plain black pants	<p>✅ Top</p> <p>❌ Pants</p>	<p>✅ Top</p> <p>❌ Pants</p>	<p>Top</p> <p>You are required to purchase the top and it is unique and distinctive to the organisation you work for</p> <p>Pants</p> <p>Black pants are everyday in nature and not sufficiently distinctive or unique to your employer – a colour requirement is not enough</p>
Your employer tells you to purchase and wear a specific top with a logo on it and black pants from XYZ retail outlet	<p>✅ Top</p> <p>❌ Pants</p>	<p>✅ Top</p> <p>❌ Pants</p>	<p>Top</p> <p>You are required to purchase the top and the logo makes it unique and distinctive to the organisation you work for</p> <p>Pants</p> <p>Black pants without a logo or other feature are not unique and distinctive to the organisation you work for, even if your employer requires you to purchase them</p>
You are required to purchase a uniform of a certain style and colour that your employer registers, made up of a shirt with a logo and black pants	✅	✅	You are required to purchase a registered uniform that is sufficiently distinctive and unique to your employer
Your employer tells you to purchase and wear the latest line of clothes from the store you work at	❌	❌	You cannot claim for the cost of plain clothing you wear at work, even if it's clothing sold at the store you work at and your employer requires you to wear it

Records

You must have written evidence, such as diary entries (to be kept for a representative period of at least one month) and receipts, for your laundry expenses if both of the following apply:

- The amount of your claim is greater than \$150.
- Your total claim for work-related expenses exceeds \$300.

If you don't need to provide written evidence for your laundry expenses, you may use a reasonable basis to work out your claim. If you wash, dry and iron your clothes yourself, we consider that a reasonable basis for working out your laundry (washing, drying and ironing) claim is:

- \$1 per load if the load is made up only of work-related clothing
- 50 cents per load if you include other laundry items in the load.

Allowances

If you receive an allowance from your employer for laundry expenses:

- you can only claim a deduction for the amount you actually spent, not simply the amount of your allowance
- the allowance is assessable income, which you must include on your tax return.



Travel expenses

What you need to know before you go

Travel expenses include:

- ✔ **Transport expenses** are deductible when you travel in the course of performing your duties. This includes the cost of driving your car, flying, catching a train, taxi or bus.
- ✔ **Accommodation, meals and incidental expenses** are deductible when you travel in the course of performing your duties AND are required to be away from home overnight.



Things to remember

- ✔ You need to keep receipts – or other written evidence – for your travel expenses. There are some exceptions for expenses on accommodation, meals and incidental expenses.
- ✔ You need to apportion your expenses if they are partly private in nature. If you travel on a work trip, you may not be required to apportion your costs where there is a minor private component that is merely incidental to the work.
- ✔ If you travel away from home for six or more nights in a row, you need to keep travel records – such as a travel diary. This is in addition to keeping receipts for your expenses.
- ✘ Receiving a travel allowance from your employer does not automatically entitle you to a deduction.
- ✘ If any travel expenses are reimbursed, you cannot claim a deduction for them.
- ✘ You generally can't claim for normal daily trips between home and work – this is private travel.
- ✘ You can't claim accommodation, meals and incidental expenses you incur in the course of relocating or living away from home.

Examples of when you need to apportion your expenses

- ✔ You take your partner or children away with you when you travel for work. You cannot claim the cost of any travel expenses you incur for them. For example, if you pay for a two bedroom apartment to accommodate your children, you can only claim a deduction for the cost you would have incurred on a one bedroom apartment had you travelled alone.
- ✔ You fly to Perth for a seven day work conference and add on a return trip to Broome for 4 days. You can only claim your flights to and from Perth. You can only claim the accommodation, meals and incidental expenses that you incurred during the seven days of work-related travel.
- ✔ You are in the process of booking a holiday to Sydney to see an art exhibit when your employer asks if you'd like to attend a three day work-related conference in Sydney which coincidentally is to be held from the Monday following your planned holiday. You change your travel arrangements to include the additional time in Sydney. In total, you spend three days in Sydney for private purposes followed by three days at the conference. You must apportion your flights for the private component of your trip (50%) and only claim the accommodation, meals and incidental expenses you incur during the three days of work-related travel.
- ✔ You fly to London for a 10 day international, work-related conference. You stay over for an extra two days to do some sightseeing. While you cannot claim the cost of accommodation and meals for the two days of private travel, the private component of the trip is merely incidental and so you can claim the full cost of your airfares.
- ✔ You are holidaying in Cairns when you become aware of a work-related seminar which runs for half a day. You can claim the cost of attending the seminar, but you cannot claim your airfares to and from Cairns, or accommodation whilst in Cairns, as the primary purpose of the travel is private.



Record keeping exception for accommodation, meals and incidental expenses

You must always keep records of your expenses, however you don't have to keep all your receipts if:

- ✓ you received an allowance from your employer for the expenses, and
- ✓ your deduction is less than the Commissioner's reasonable amount. To find this year's amount, visit our legal database (ato.gov.au/law) or 'ask Alex' on ato.gov.au

If you claim a deduction for more than the Commissioner's reasonable amount you need to keep receipts for all expenses, not just for the amount over the Commissioner's reasonable amount.

Even if you are not required to keep receipts, you must be able to explain your claim and show you spent the amounts, eg show your work diary, that you received and correctly declared your travel allowance, and bank statements.



Travel diary



A travel diary is a record of your travel movements and activities you undertake during your travel. It will help you work out the work-related and private elements of your trip.

You will need a travel diary for each trip you take away from home for six or more nights in a row. There are a couple of exceptions.

These are:

- You travel within Australia and meet the requirements for the record keeping exception (shown left), or
- You are a crew member on an international flight and you claim a deduction for less than the allowance you received.

You should record your movements and activities in whatever diary/journal you use. It can be paper or electronic. It must be in English.

You must record your travel movements and activities before they end, or as soon as possible afterwards. You need to state:

- ✓ where you were
- ✓ what you were doing
- ✓ the times the activities started and ended.



This is an example of a travel diary, which is kept in addition to a log book for car expenses:

October 2017			
<p>9 Monday</p> <ul style="list-style-type: none"> ■ 6am travel to Wangaratta. Arrive 9am. ■ 9:30am to 5:30pm sales conference Wangaratta. ■ Overnight conference centre. 	<p>10 Tuesday</p> <ul style="list-style-type: none"> ■ 9:30am to 5:30pm sales conference Wangaratta. ■ Overnight conference centre. 	<p>11 Wednesday</p> <ul style="list-style-type: none"> ■ 9:30am to 5:30pm sales conference Wangaratta. ■ Overnight conference centre. 	<p>12 Thursday</p> <ul style="list-style-type: none"> ■ 8am travel to Shepparton. Arrive 9:15am. ■ 10am meet Mr Smith for display meeting. ■ 1pm to 5pm Shepparton store review. ■ Overnight Shepparton hotel.
<p>13 Friday</p> <ul style="list-style-type: none"> ■ 6am travel to Echuca. Arrive 7am. ■ 8am to 12noon Echuca store review. ■ 12:30pm to 12:45pm drive to Moama store. ■ 1pm to 5pm Moama store review. ■ Overnight Moama hotel. 	<p>14 Saturday</p> <ul style="list-style-type: none"> ■ 7am travel to Bendigo. Arrive 8:30am. ■ 9am to 6pm State Rep meeting. ■ 6pm Dinner with State Reps. ■ Overnight Bendigo Motor Inn. 	<p>15 Sunday</p> <ul style="list-style-type: none"> ■ 8am State Rep breakfast conference. Finish 10am. ■ 10am travel home to Melbourne. Arrive 12:30pm. 	

This is a general summary only.

For more information, speak with your tax agent or visit ato.gov.au/travelexpenses



Australian Government
Australian Taxation Office

Employees working from home

The other kind of housework

If you're an employee who regularly works from home, you may be able to claim a deduction for expenses relating to that work.

Running expenses

Employees who work from home and use an area of their home – eg a study – for work, can claim the work-related proportion of their **running expenses**. These expenses are the cost of using equipment and utilities at your home for work and include:

- ✓ lighting
- ✓ heating and cooling
- ✓ cleaning costs
- ✓ the decline in value of equipment, furniture and furnishings in area you use for work, and
- ✓ the cost of repairs to this equipment, furniture and furnishings.

Occupancy expenses

As an employee, generally you can't claim a deduction for occupancy expenses, which include rent, mortgage interest, property insurance, land taxes and rates. For more information, see ato.gov.au/occupancyexpenses.



Phone and internet expenses

If you use your phone or internet for work, you can claim a deduction for the work-related percentage of your expenses if you paid for these costs and have records to support your claims.

You need to keep records for a four-week representative period in each income year to claim a deduction of more than \$50. These records may include phone bills (paper or electronic), and diary entries. Evidence that your employer expects you to work at home or make some work-related calls will also help you demonstrate that you are entitled to a deduction.

Calculating running expenses

There are two ways to calculate your running expenses:

- ✓ you can claim a fixed rate of 45c per hour, or
- ✓ you can calculate your actual expenses.

Fixed rate

You can use a fixed rate of 45 cents per hour for each hour that you work from home. This method incorporates all the items you are able to claim, including the decline in value of office furniture and furnishings – eg desk and chair.

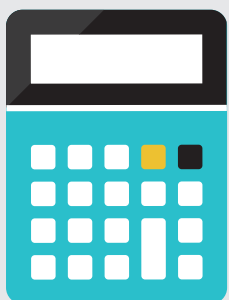
You can keep a diary that documents your pattern of office use for a minimum of four weeks in a financial year. The diary should outline your use of equipment, home office and the phone for work purposes over a representative four-week period. You can then apply this amount of use across the remainder of the year to determine your full claim.

Actual expenses

To calculate actual expenses:

- ✓ record the total expenses for lighting, cleaning, heating and cooling for your home for the year
- ✓ work out the floor area of the part of your home that you use for work as a percentage of the total floor area and apply this percentage to your total expenses, then
- ✓ work out the percentage of the year you used that part of your home exclusively for work – eg if you used it for work for six months during the year, the percentage would be 50%. Apply this percentage to your calculation above to determine the amount you can claim.

You can calculate your deductions for decline in value by working out the amount of depreciation for each item for the year, and claiming the proportion of the amount which reflects your work-related use. The ATO has a depreciation tool to help you work this out, at ato.gov.au/depreciationtool.



Calculating phone and internet expenses

There are two ways to calculate your phone and internet expenses:

- ✓ you can claim up to \$50 without records, or
- ✓ you can calculate your actual expenses.



Claiming up to \$50

If your work use is incidental and you are not claiming a deduction of more than \$50 in total, you may make a claim based on the following, without having to analyse your bills:

- ✓ \$0.25 for work calls made from your landline
- ✓ \$0.75 for work calls made from your mobile
- ✓ \$0.10 for text messages sent from your mobile.

Actual expenses

If you have a phone / internet plan where you receive an itemised bill, you need to determine your percentage of work use over a four-week representative period which can then be applied to the full year.

You need to work out the percentage using a reasonable basis. This could include:

- ✓ the number of work calls made as a percentage of total calls
- ✓ the amount of time spent on work calls as a percentage of your total calls
- ✓ the amount of data downloaded for work purposes as a percentage of your total downloads.

If you have a bundled or non-itemised plan, you need to identify your work use for each service over a four-week representative period during the income year, which can then be applied to the full year.

Refer to ato.gov.au/phoneandinternet for more information.

Common scenarios

Julia – A dedicated room for work

Julia is a lawyer who works as an employee for a large city firm. Julia's employer has agreed that she can work from home 2 days per week. She has a home office that she works in on the days she does not travel to the city. Julia and members of her family use the home office for private purposes, including personal use of the computer and to store household items.

- ✓ Julia can claim running costs, but only the portion of the expenses that relate to her work-related use of the home office.

James – no set work area

James is a high school teacher. From time to time, James works in the lounge room at home – for example, to mark tests and prepare end of term reports. He does not have a room set aside exclusively for work.

- ✓ James can only claim specific costs associated with the work he does at home – such as the work-related proportion of depreciation of the laptop he uses to prepare the reports.
- ✗ He cannot claim a proportion of other costs, such as lighting, cleaning, heating and cooling as his lounge room has a variety of uses and is not an area set aside for work.

Natalie – chooses to work from home

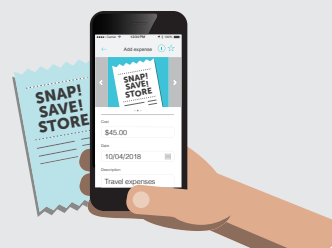
Natalie is a web developer for a large company and usually works from their office in her city. While Natalie is not required to work from home, her employer supports it. Natalie is not provided with the work equipment to use at home, so she uses her own laptop, internet connection, mobile phone and thumb drive. She is not reimbursed by her employer for these costs.

- ✓ Natalie is entitled to claim running costs including the work-related proportion of depreciation on her laptop, her office desk and chair, and a percentage of lighting, heating and cooling that reflects her work-related use of the office, as well as the cost of using her own internet connection and mobile phone for work. Natalie needs to apportion these expenses to take her private use into account.

Records you must keep

You must keep records of your expenses, such as:

- ✓ receipts or other written evidence, including for depreciating assets you have purchased
- ✓ diary entries to record your small expenses (\$10 or less) totaling no more than \$200, or expenses you cannot get any kind of evidence for,
- ✓ itemised phone accounts from which you can identify work-related calls, or
- ✓ other records, such as diary entries, if you do not get an itemised bill.



This is a general summary only.
For more information, speak with your tax agent or visit ato.gov.au/workingfromhome



Australian Government
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Self-education expenses

It pays to learn what you can claim at tax time

When can you claim?

Self-education expenses are deductible when the course you undertake has a sufficient connection:

- ✔ to your current employment and maintains or improves the specific skills or knowledge you require in your current employment, or
- ✔ results in – or is likely to result in – an increase in your income from your current employment.

When can't you claim?

You cannot claim a deduction for self-education for a course that:

- ✘ relates only in a general way to your current employment or profession, or
- ✘ will enable you to get new employment – such as moving from employment as a nurse to employment as a doctor.



Course expenses

If your self-education is eligible, you may be able to claim a deduction for your expenses directly related to undertaking the course.

General expenses

Some general expenses you may be able to claim include:

- ✔ tuition fees, if paid directly by you
- ✔ computer consumables (eg printer cartridges)
- ✔ textbooks
- ✔ trade, professional or academic journals
- ✔ stationery
- ✔ home office running costs
- ✔ internet usage (excluding connection fees)
- ✔ phone calls
- ✔ postage
- ✔ student services and amenities fees
- ✔ travel costs, including car expenses, between home and the place of education and between your workplace and the place of education
- ✔ fees payable on some Higher Education Loan Program (HELP) loans, but not the loan itself.

You can only claim a deduction for the portion of these expenses that is directly related to your eligible self-education.

Depreciating assets

You may be able to claim a deduction for depreciating assets – assets that lose value over time such as computers and printers – that you have bought and use to study.

Depreciating assets that cost more than \$300 are usually claimed over the life of the asset (decline in value). However, if you have a depreciating asset that cost \$300 or less – you can get a deduction for the full cost of the asset to the extent that you used it for study in the tax year you bought it. (see *Apportioning expenses*).

Car expenses

If you are undertaking a course that has a direct connection to your current employment, you can also claim the cost of daily travel from your:

- ✔ home to your place of education and back
- ✔ work to your place of education and back.



However, you cannot claim the cost of the last stage of your travel from:

- ✘ home to your place of education, and then to work
- ✘ work to your place of education, and then to your home.

You **cannot** claim the following expenses related to your self-education:

- ✘ tuition fees paid by someone else, including your employer, or for which you were reimbursed
- ✘ repayments of loans you obtained under the Higher Education Loan Program (HELP) loans, Student Financial Supplement Scheme (SFSS), the Student Startup Loan (SSL) or the Trade Support Loans Program (TSL)
- ✘ home office occupancy expenses – such as rent, mortgage interest, rates
- ✘ accommodation and meals – except if you travel away from home for a short period for study, such as to attend residential school.

Apportioning expenses

Some expenses need to be apportioned between private purposes and use for self-education. Travel costs and depreciating assets are good examples of expenses that may need to be apportioned.

Use of equipment

If you use equipment such as computers and printers both privately and for study, you must apportion the expense based on the percentage you use the equipment for study.

For example, if a computer is used 50% of the time for study and 50% for private purposes, you can only claim half of the cost of the computer as a deduction. (For more information on asset expenses, see the *Depreciating assets* section on the previous page).

Recording your expenses

Use our self-education expense calculator (ato.gov.au/selfeducationcalc) to get an estimate of your self-education deductions. It also provides information on your claim eligibility.

Records you need to keep may include receipts or other documents showing expenses such as:

- ✓ course fees
- ✓ textbooks
- ✓ stationery
- ✓ decline in value of, and repairs to, depreciating assets.

You must also keep receipts, documents or diary entries for travel expenses.

The ATO app's myDeductions tool (ato.gov.au/myDeductions) can be used to record your self-education expenses.



Calculating your expenses

In certain circumstances, you may have to reduce your self-education expenses by up to \$250 to work out your deduction.

The Self-education expenses calculator (ato.gov.au/selfeducationcalc) on the ATO website works this out for you.

