



Australian Government
Australian Taxation Office

SIRAGUSA
ACCOUNTANTS & ADVISERS



If you're a real estate professional it pays to learn what you can claim



To claim a deduction for work-related expenses:

- you must have spent the money yourself and weren't reimbursed
- it must directly relate to earning your income
- you must have a record to prove it.*

You can only claim the work-related portion of an expense. You can't claim a deduction for any part of an expense that does not directly relate to earning your income.

* You can use the [myDeductions](#) tool in the ATO app to keep track of your expenses and receipts throughout the year.

Car expenses



- ✘ **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.
- ✔ **You can claim** the cost of using a car you own when you drive:
 - directly between separate jobs on the same day
 - to and from an alternate workplace for the same employer on the same day – for example, travelling between the office to residential open homes.
- ✔ In limited circumstances, **you can claim** the cost of trips between home and work, where you have shifting places of employment (that is, you have no fixed place of work and you continually travel from one work site to another throughout your workday).

If you claim car expenses, you can use the logbook method or the cents per kilometre method to calculate your deduction.

If you use the logbook method, you need to keep a valid logbook to work out the percentage of work-related use along with written evidence of your car expenses.

If you use the cents per kilometre method, you need to be able to show how you calculated your work-related kilometres and that those kilometres were work related.

If you claim your work-related car expenses using one of the above methods, you can't claim any further deductions in the same tax return for the same car. For example, petrol, servicing, and insurance costs.

Clothing and laundry expenses (including footwear)



With a few exceptions, clothing can't be deducted as a work-related expense.

- ✘ **You can't claim** the cost to buy, hire, repair or clean conventional clothing you wear for work, even if your employer requires you to wear it and you only wear these items of clothing at work. 'Conventional clothing' is everyday clothing worn by people – for example, business attire.


- ✔ **You can claim** the cost to buy, hire, repair or clean clothing if it is:
 - a compulsory uniform – clothing you are explicitly required to wear by a workplace agreement or policy, which is strictly and consistently enforced, and is sufficiently distinctive to your organisation
 - non-compulsory uniforms that are registered with AusIndustry (check with your employer if you're not sure).
- ✘ **You can't claim** a deduction if your employer pays for or reimburses you for these expenses.

Working from home expenses

- ✔ If you work from home, **you can claim** a deduction for expenses you incur that relate to your work. You must:
 - use one of the methods set out by us to calculate your deduction
 - keep the correct records for the method you use.
- ✘ **You can't claim:**
 - coffee, tea, milk and other general household items, even if your employer provides these at work
 - items your employer provides – for example, a laptop or a phone
 - any items where your employer pays for or reimburses you for the expense.

Tools and equipment expenses

- ✔ **You can claim** the tools or equipment you use for work.
If a tool or equipment costs:
 - more than \$300 – you claim a deduction for the cost over a number of years (decline in value)
 - \$300 or less (and doesn't form part of a set that costs more than \$300) – you can claim an immediate deduction for the whole cost.

 **This is a general summary only.**
For more information, go to ato.gov.au/realestate or speak to a registered tax professional.

- ✘ **You can't claim** tools and equipment that are supplied by your employer or another person.

If you also use the tools and equipment for private purposes, you can only claim the work-related portion.

Gifts

- ✔ **You can claim** a deduction for the cost of gifts you buy for work purposes if you are a salesperson or property manager entitled to receive your income from commission or both commission and retainer.
- ✘ **You can't claim** a deduction for gifts you buy if you earn a fixed income and you are not entitled to earn a commission.
- ✘ **You can't claim** a deduction for gifts that are in the form of entertainment – for example, tickets to a live sporting event.

Other expenses

- ✔ **You can claim** the work-related portion of other expenses if it relates to your employment, including:
 - advertising your services – for example, through newspapers, letterbox drops, signage and bunting (however you can't claim a deduction for the cost of advertising if you earn your income from a fixed salary and you aren't entitled to earn commission)
 - phone and internet costs, with records showing your work-related use
 - renewing your annual Certificate of Registration
- ✘ **You can't claim** private expenses such as driver's licence, grooming (hairdressing expenses or cosmetics), music subscriptions, childcare or fines.
- ✘ **You can't claim** a deduction if the cost was met or reimbursed by your employer.

