Australian Government
Australian Taxation Office

SIRAGUSA ACCOUNTANTS & ADVISERS

If you're a construction worker 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 – for example, weekend or early morning shifts.
- In limited circumstances, **you can claim** the cost of trips between home and work, where:
  - you have shifting places of employment (that is, you don't have a fixed workplace and you continually travel from one work site to another during your workday)
  - you carry bulky tools or equipment for work, and all of the following apply
    - the tools or equipment are essential to perform your employment duties and you don't carry them merely as a matter of choice
    - the tools or equipment are bulky – meaning that because of the size and weight they are awkward to transport and can only be transported conveniently using a motor vehicle
    - there is no secure storage for the items at the workplace.
- **You can claim** the cost of using a vehicle you own when you drive:
  - directly between separate jobs on the same day (but not if one of the places is your home) – for example, from your job in construction to your second job as a security guard
  - to and from an alternative workplace for the same employer on the same day – for example, between depots or work sites
  - from home directly to an alternative workplace – for example, travelling from home to a training centre to attend a work-related training course.

If you claim car expenses, you can use the logbook method or the cents per kilometre method to calculate your deduction. If you claim your work-related car expenses using one of these methods, you can't claim any further deductions in the same tax return for the same car – for example, servicing or insurance costs.

If your vehicle is designed to carry a load of one tonne or more, or 9 or more passengers, such as a ute or minibus, or you use a motorcycle or similar vehicle, you can't use the cents per kilometre method or the logbook method to calculate your claim.

You can claim the actual costs you incur for the work-related use of your vehicle.

Travel expenses

- **You can claim** travel expenses if you travel away from your home overnight in the course of performing your employment duties – for example, working on an interstate worksite temporarily. Travel expenses can include meals, accommodation, fares and incidental expenses you incur when travelling for work. Circumstances may be different for fly-in fly-out (FIFO) workers.
- **You can't claim** a deduction if the travel is paid for, or you're reimbursed by your employer or another person.

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, jeans, business attire or drill shorts and shirts worn by tradespeople.
- **You can claim** the cost to buy, hire, repair or clean clothing if it is protective. Protective clothing has protective features or functions that you wear to protect you from specific risks of injury or illness at work. For example, high-vis vests or steel-capped boots.

Tools and equipment expenses

- **You can claim** the cost of tools and equipment you use for work, including repairs and insurance. For example, a circular saw, concrete mixer or screwdriver set.

  If a tool or equipment costs:
  - more than $300 – you claim a deduction for the cost over several years (decline in value)
  - cost $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.
- **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. You will also need to apportion the cost of insurance and repairs between private and work-related use.

Other expenses

- **You can claim** the work-related portion of other expenses that relate to your employment, including:
  - sunscreen, sunhats and sunglasses where your duties require you to spend prolonged periods working outdoors
  - renewal fees for licences, regulatory permits, certificates or 'cards' that relate to your work (but you can't claim the cost of getting your initial licence to gain employment)
  - safety equipment such as harnesses, goggles and breathing masks
  - phone and internet costs, with records showing your work-related use
  - union fees.
- **You can't claim** private expenses, such as gym fees, fines or your driver's licence, even if it is a condition of your employment.
- **You can't claim** a deduction if the cost was met or reimbursed by your employer.

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

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