



**Australian Government**  
**Australian Taxation Office**

## Business professionals - deductions you may be able to claim

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Business-professionals---deductions-you-may-be-able-to-claim/>
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- QC 18955

## Business professionals - deductions you may be able to claim

### Car expenses

Your home to work travel is not deductible, even if:

- you do minor work-related tasks while travelling to and from work, such as collecting mail
- you travel outside normal employment hours
- you are required to be on call
- you live a long distance from your work place, or
- there is no public transport available.

Home to work travel is only deductible in limited circumstances, for example, if you are engaged in itinerant work.

### Travel expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Business-professionals---deductions-you-may-be-able-to-claim/?page=2>
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Travel expenses relating to the attendance at conferences, seminars and other work-related events are deductible to the extent that they relate to your income-producing activities. You will need to apportion your travel expenses where you undertake both work-related and private activities. Travel costs to and from the location of the work-related event will only be deductible where the primary purpose of the travel was to attend the event. Accommodation, food and other incidental costs must be apportioned between work-related and private activities taking into account the types of activities that you did while away.

### Decline in value

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Business-professionals---deductions-you-may-be-able-to-claim/?page=3>
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You can claim a deduction for the cost of purchasing tools or equipment (if \$300 or less) which you use for your work. If they cost more than \$300, you must depreciate the asset using the decline in value rules. The publication [Guide to depreciating assets](#) has more information.

As a general rule, desktop computers are depreciated over a period of four years, and laptops can be depreciated over three years. You must apportion the amount of your claim where the equipment:

- has been used in part for private purposes, or
- was not available for use during all of the financial year.

## Home office expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Business-professionals---deductions-you-may-be-able-to-claim/?page=4>
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You can only claim occupancy expenses (such as interest on mortgage or rent paid) where your home office is considered to be a place of business.

If your employer has an office in the city or town where you reside, your home office will not be a place of business, even if your work requires you to work outside normal business hours.

See [Taxation Ruling TR 93/30](#) <<http://law.ato.gov.au/atolaw/view.htm?DocID=TXR/TR9330/NAT/ATO/00001&PiT=99991231235958>>

– Income tax: deductions for home office expenses for more information.

You can claim the additional running expenses for your home office by apportioning the actual costs incurred or using a fixed rate of 34 cents an hour. For income years before 2010–11, this rate was 26 cents an hour.

You need to keep a record of the time spent in your home office on employment activities. The record should cover a representative period and a reasonable time (generally four weeks).

See our law administration practice statement [PS LA 2001/6](#) <<http://calculators.ato.gov.au/redirect/atolaw.asp?DocID=PSR/PS20016/NAT/ATO/00001>>

– Home office expenses; diaries of use and calculation of home office expenses for more information.

## Other work-related expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Business-professionals---deductions-you-may-be-able-to-claim/?page=5>
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You must apportion expenses, such as mobile phone calls, home telephone calls and internet usage between business and private use. If you don't have an itemised account from your phone company, your personal records, such as diary entries, which cover a representative four week period is acceptable to establish a pattern of use for the entire year.

## Union and professional association fees

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Business-professionals---deductions-you-may-be-able-to-claim/?page=6>
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Union fees and professional association memberships are deductible. However, worker-entitlement fund contributions (for example, welfare fund contributions) and similar charges are generally not deductible.

## Entertainment expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Business-professionals---deductions-you-may-be-able-to-claim/?page=7>
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Entertainment expenses are generally not deductible. This includes the cost of business lunches, and attendance at sporting events, gala or social nights, concerts or other similar types of functions or events. This is the case even if you discuss business matters at the occasion.

## Self-education expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/Business-professionals---deductions-you-may-be-able-to-claim/?page=8>
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You need to ensure that there is sufficient connection between these expenses and your work activities at the time you incur the expenses.

You cannot claim a deduction for self-education expenses if the study is:

- to enable you to get employment
- to obtain new employment
- to open up a new income-earning activity, or
- related to industry placement employment (that is, employment performed as an incident of study).



### Find out more

General guides:

- [Guide to claiming deductions](#)
- [Keeping your tax records.](#)

More information about specific types of work-related expenses:

- [Work-related car expenses](#)
- [Work-related travel expenses](#)
- [Work-related clothing, laundry and dry-cleaning expenses](#)
- [Work-related self-education expenses](#)
- [Work-related expenses – decline in value](#)
- [Work-related expenses – publications](#)
- [Other work-related expenses](#).

If you are uncertain about how this information applies to your personal situation, phone us on **13 28 61**.

## Our commitment to you

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If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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