



Australian Government
Australian Taxation Office

IT professionals - claiming work-related expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/>
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IT professionals - claiming work-related expenses

About this guide

Contractors and employees have different tax and super obligations. In the information communication and technology (ICT) industry, individual workers are either employees or contractors. This guide is for **employee** information technology (IT) managers and project managers, including apprentices.

This guide will help you work out what work-related expenses you can claim a tax deduction for and the conditions you must meet before you can claim your expenses.

It provides information about common work-related expenses, including:

- car
- travel
- uniform, occupation-specific or protective clothing, laundry and dry-cleaning
- self-education
- other expenses - such as phone, home office, computers and laptops.

There may be other deductions you can claim that are not included in this guide. For a list of helpful resources, see [More information](#).



When you sign the declaration on your tax return, you are declaring that:

- everything you have told us is true
- you can support your claims with written evidence.

You are responsible for providing proof of your expenses, even if you use a registered tax agent to prepare your tax return.

When you can make a claim

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=2>
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In most situations, you can claim deductions for work-related expenses if your claim meets the following conditions:

- you incurred the expense in doing your job
- the expense is not private (personal)
- you can show you incurred the expense, by providing receipts or other written evidence.



If you are claiming a deduction for an expense you incurred partly for work and partly for personal purposes (such as mobile phone costs), you can only claim that portion of the expense that relates to your work use.

Reimbursements

You cannot claim a deduction for expenses you incur if those expenses are reimbursed to you by your employer. You do not include reimbursements on your tax return.

Supporting your claims

If your total claims for work-related expenses add up to **more** than \$300 - excluding claims for car, meal allowance, award transport payment allowance and travel allowance expenses - you must keep written evidence, such as receipts. You must keep written evidence for the full amount of your claim, not just the amount over the first \$300.

If the total amount you are claiming is \$300 or **less**, you do not need to keep receipts, but you must be able to show how you worked out your claims.



You need to keep written evidence of your work-related expenses for five years from the due date for lodging your tax return. If you lodge your tax return after the due date, the five years start from the date you lodged your tax return.

For a depreciating asset, you must keep records for five years from the date of your last claim for decline in value (depreciation).

Daily travel expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=3>
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Any travel expenses you claim must directly relate to your work as an employee.

These expenses may include:

- work-related car expenses
- expenses for motorcycles and vehicles with a carrying capacity of one tonne or more, or nine or more passengers
- actual expenses (such as any petrol, oil and repair costs) if you travel in a car that is owned or leased by someone else
- public transport, including taxi fares
- bridge and road tolls
- parking fees
- short-term car hire.

Generally, the cost of normal trips between your home and work is a private expense, which you cannot claim a tax deduction for. However, as an employee, there are certain situations where you may be able to claim deductions for travel between your home and workplace.

Travelling between workplaces

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=4>
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You may be able to claim a deduction for work-related daily car and travel expenses, including the cost of travel:

- directly between two separate workplaces - for example, when you have a second job
- from your normal workplace to an alternative workplace while you are still on duty, and back to your normal workplace or directly home - see Example 1.
- from your home to an alternative workplace, and then to your normal workplace or directly home.



If your employer has offices in the city or town where your residence is located, your home office is not a place of business, even if your work requires you to work outside normal business hours.

Example 1: Claiming for travel between workplaces

Blake is an ICT manager at a major telecommunications company in the city. In his job he must consult with clients about current communication systems to work out what enhancements need to be made. He uses his own car to travel to these meetings and goes directly home after the meetings because they finish late.

Blake can claim the cost of travelling from his city office to his client meetings and then to his home. He cannot claim travel from home to his city office as this is considered to be general travel to Blake's normal place of employment.



If you travel to and from a place of education because you are completing a work-related education course, you may be entitled to claim the travel costs as a self-education expense.

Claiming car expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=5>
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If the motor vehicle you drive is a car, and you are entitled to claim a deduction for your work-related car expenses, there are four methods you can use to work out the amount you can claim.

The four methods are:

- cents per kilometre
- logbook
- 12% of original value
- one-third of actual expenses.

Cents per kilometre is the most commonly used method by employees in the IT industry.



For more information about the four methods of claiming car expenses, refer to D1 - Work-related car expenses.

Cents per kilometre method

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=6>

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If you are claiming a deduction under the cents per kilometre method, your claim is based on a set rate for each business kilometre depending on your car's engine type and capacity. You can only claim 5,000 work kilometres per car, per year using this method, even if you have travelled more - for example, if you travelled 5,085 work kilometres in a car for the year, you cannot claim the extra 85 kilometres.

Under this method, a joint car owner can claim up to a maximum of 5,000 kilometres per year for their work-related use. If you both use the car for separate income producing purposes, you can each claim up to a maximum of 5,000 kilometres per year for your work-related use. The 5,000 kilometre per year limit applies to an individual taxpayer for use of a particular car. The limit does not apply to the car itself.

When working out your deduction using the cents per kilometre method, you do not need receipts or other written evidence but you must show how you worked out your estimate of work kilometres. For example, by:

- keeping a diary of work-related travel
- basing your costs on a regular pattern of travel.

Example 2: Claiming car expenses using the cents per kilometre method

David is an ICT project manager who directs the operations of system developments and maintenance. He uses his car to travel between the head office and his local office. From his diary notes of appointments during the 2012 income year, he works out that he has travelled 1,569 kilometres for work-related activities.

Although David does not have an established pattern of travel, his diary notes are a reasonable basis for working out his work-related travel.



The cents per kilometre rate includes an amount for services and repairs to the car. If you use this method, you cannot claim servicing or repairs to the same car elsewhere on your tax return.



To help you work out your work-related car expenses, use our [Work-related car expenses calculator](#).

Clothing, laundry and dry-cleaning expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=7>
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You may be able to claim a deduction for the costs you incur when you buy, repair or clean your work clothing. Work clothing you can claim a deduction for includes:

- compulsory uniforms and corporate wardrobes - these are sets of clothing that identify you as an employee of an organisation, that has a strictly enforced policy that makes it compulsory for you to wear the uniform while at work
- a non-compulsory corporate uniform that your employer has registered with AusIndustry
- a single item of distinctive clothing (such as a jumper, shirt or tie with your employer's logo) if it is compulsory for you to wear the item
- protective clothing and footwear to protect you from the risk of illness or injury, caused by your work or work environment.

You cannot claim a deduction for the cost of purchasing, cleaning or repairing a plain uniform or conventional clothing you wear to work, even if your employer tells you to wear it. This includes:

- everyday footwear, such as dress, casual or running shoes
- clothing you wear for medical reasons
- conventional clothing that is damaged at work.

Example 3: Claiming clothing expenses

Danielle is an IT manager with a large company. She wears a black shirt with the company monogram supplied by her employer. It is compulsory for her to wear the shirt at work. The shirt is only worn by employees of the company and is not available for purchase by the general public. Danielle's trousers, skirts and shoes are items of ordinary (everyday) clothing.

Danielle can claim a deduction for the cost of laundering and maintaining the shirt supplied by her employer. If she had to purchase the shirt, she would also be entitled to a deduction for its cost.

However, because her trousers, skirt and shoes are of a conventional nature, Danielle cannot claim for the cost of purchasing, laundering or dry-cleaning these.

Laundry and maintenance

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=8>
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You can claim a deduction for the cost of cleaning and maintaining clothing that meets the requirements of deductible clothing. This applies whether the clothing is purchased by you or supplied by your employer; and includes costs such as:

- laundromat expenses
- home laundry expenses
- actual dry-cleaning costs.

If you did the washing, drying or ironing yourself, you can use a reasonable basis to work out the amount it cost you, such as \$1 per load for work-related clothing or 50 cents per load if other laundry items were included.

Records you must keep

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=9>
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If your claim for laundry expenses is **more** than \$150 and your total claim for work-related expenses is **more** than \$300 - not including car, meal allowance, award transport payment allowance and travel allowance expenses - the records you must keep include:

- receipts, or other written evidence of your expenses
- diary entries you make to record
 - your small expenses (\$10 or less) totalling no more than \$200 that you do not have a receipt for
 - expenses that you cannot get any kind of evidence for, regardless of the amount - for example, laundromat costs.



If you complete your own tax return, you can claim these expenses at **D3 - Work-related clothing, laundry and dry-cleaning expenses**.



To help you work out your clothing, laundry and dry-cleaning expenses claim, use our [Work-related uniform expenses calculator](#).

Self-education expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=10>
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Self-education expenses are expenses that you incur when you do a course to get a formal qualification from a school, college, university or other place of education.

You can claim a deduction for self-education expenses that have a sufficient connection to your current work activities. For a course to be sufficiently connected to your current work activities, it must **either**:

- maintain or improve the specific skills or knowledge you need in your current employment
- result in, or be likely to result in, an increase in your income from your current employment.

Self-education includes:

- courses undertaken at an educational institution, whether it leads to a formal qualification or not
- attendance at work-related conferences or seminars
- self-paced learning and study tours, whether within Australia or overseas.

You may be able to claim the following if they are sufficiently connected to your work activities:

- the costs of degrees, diplomas, certificates and other awards that are completed via correspondence or the internet
- the cost of attending seminars, conferences or education workshops including formal education courses provided by professional associations.

The cost of self-improvement or personal development courses is generally not deductible. Many courses of this type have a strong philosophical or spiritual component and are generally not sufficiently related to your income earning activities.



If you complete your own tax return, you can claim your work-related self-education expenses for:

- a course you do at a school, college, university or other educational institution at **D4 - Work-related self-education expenses**
- seminars, conferences and workshops at **D5- Other work-related expenses**.

Example 4: Claiming self-education expenses

Peter, an employee for a large medical research facility, is responsible for the maintenance of the existing infrastructure network. He eventually wants to project manage the infrastructure projects within the facility and is studying for a Bachelor degree in business systems.

The university, reflecting its philosophy that the education of professionals must include more than just technical knowledge relevant to the profession, requires that Peter complete two subjects of a general interest nature, not directly related to his employment.

As the essential character of the study is to improve his work-related knowledge and skills, Peter can claim a deduction for **all** of the costs associated with his course, including those related to the general subjects. He claims that amount on his tax return at **D4 - Work-related self-education expenses**.

Example 5: Claiming conference expenses

Kostas, a systems engineer, attends a conference on cloud computing organised by a number of the major computer companies at a venue away from his normal place of work. The conference is designed to keep him across new and emerging technology. The cost of attending is \$500, which includes entrance fees, travel to and from the conference, accommodation and meals.

Although the conference is not an education course, Kostas can claim a deduction for the expenses he incurs for the conference. As Kostas paid a single amount that covered all his costs, he claims that amount on his tax return at **D5 - Other work-related expenses**.



If you receive a payment from your employer or any other person for an expense you have actually incurred, the payment is called a reimbursement. Generally, you do not include a reimbursement as part of your income and you cannot claim the expense as a deduction.



To help you work out if you are eligible to claim a work-related self-education deduction, use our [Self-education eligibility tool](#).

Expenses you can claim

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=11>
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Self-education expenses include study-related items, such as:

- textbooks, stationery, course fees, student union fees, student services and amenities fees
- decline in value (depreciation) of equipment you use in your study, such as a [computer and laptop](#)
- car expenses and public transport fares when you travel in either direction between your
 - home and your place of education
 - workplace and place of education.

You may need to reduce your claim for self-education expenses by \$250 if they are connected with a course of education provided by an educational institution to gain qualifications for use in a profession, business, trade or employment. A mathematical calculation is applied to work out if you need to apply the \$250 reduction to your claim. This is set out in [Taxation ruling TR98/9 - Income tax: deductibility of self-education expenses incurred by an employee or a person in business](#) <<http://law.ato.gov.au/atolaw/view.htm?docid=TXR/TR989/nat/ato/00001>>.

Example 6: Claiming self-education expenses

Lei-shun is an information and security assurance manager, who travels a long distance to a university to undertake his Masters degree in Information Technology (Professional). He attends the university for two consecutive days each fortnight. It is likely he will receive a promotion if he successfully obtains his degree.

Lei-shun is not reimbursed for his expenses so he can claim a deduction for the cost of travel to and from his place of education, overnight accommodation, meals and incidentals. He claims this amount on his tax return at **D4- Work-related self-education expenses**.

Conferences, seminars and training courses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=12>
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You can claim a deduction for travel expenses (fares, accommodation and meal expenses if you are required to sleep away from home), registration and conference material costs incurred when you attend work-related conferences, seminars and training courses.

If your attendance at the event is only incidental to a private activity (such as a holiday) then only the expenses related to the work-related activity are deductible. The cost of accommodation, meals and travel would not be deductible. If the main purpose of your travel is attending the conference, seminar or training course, you can claim a deduction for the expenses you incurred.

Example 7: Claiming conference expenses

Vivian is responsible for the direct management of the information technology services for a multinational finance firm. Her role is to ensure the security and reliability of the operational infrastructure for all servers, networks, firewalls, voice systems and remote access services.

She attends a six day work-related conference in Mauritius on associated security technologies to address privacy and consumer risks. One day of the conference involves a sight-seeing tour of the island which is held on the final afternoon of the conference.

As the main purpose of her trip is to attend the work-related conference, Vivian can claim a deduction for the total cost of the conference, including airfares, accommodation and meals. She claims the amount on her tax return at **D5 - Other work-related expenses**.



If you are claiming a deduction for an expense that you incurred partly for study and partly for personal purposes, you can only claim the portion of the expense that relates to your study.



To help you work out your self-education expenses, use our [Self-education expenses calculator](#).

Expenses you cannot claim

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=13>
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You cannot claim a deduction for work-related self-education expenses, for a course that **either**:

- relates only in a general way to your current employment or profession
- will enable you to get new employment.

If a course of study is too general in terms of your current income-earning activities, the necessary connection between the self-education expense and the income-earning activity does not exist.

Example 8: Self-education expenses you cannot claim

Louis is a computer science student. His studies are focused on system analysis, software design and programming. Louis also works at the university laboratory installing computers.

Louis cannot claim a deduction for the costs associated with his studies as his course and job are only very generally related. His work at the university laboratory only needs a low-level of computer knowledge, which Louis already had before starting his employment. The high-level professional skills Louis acquires from the course are well beyond the skills required for his current job.



You cannot claim contributions you or the Australian Government make under HECS-HELP or repayments you make under the Higher Education Loan Program or the Student Financial Supplement Scheme.

Records you must keep

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=14>
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You must keep the following records:

- written evidence including full details of the course you have undertaken, such as an academic record, which includes all of the following
 - the name of the course
 - the institution at which it was undertaken
 - details of the subject studied and course overview
 - whether the study was on a full-time or part-time basis
 - the period the course was undertaken during the year

- a list of all items claimed, for example
 - formal education courses provided by professional associations, seminars, conferences or education workshops
 - books, journals, trade magazines and stationery
 - travel expenses
 - computer expenses
 - depreciation of, and repairs to, equipment

- original receipts or other documentary evidence for each item claimed.

Home office expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=15>
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You can claim a deduction for home office expenses if you carry out income-producing work at home. As a general rule, deductions are only available for running expenses (such as electricity) and the decline in value (depreciation) of office equipment. Occupancy expenses do not usually qualify as a deduction for tax purposes as these expenses are private or domestic in nature.

As an employee in the information technology industry, it is more common that you maintain an office, or study at home, as a matter of convenience. It would be rare for an employee in your industry to be able to claim occupancy expenses, such as rent and mortgage interest. In limited circumstances, you may be able to claim a deduction if your home office is considered to be a 'place of business'.

If your employer provides you with a place to work, your home office will not be a 'place of business', even if your work requires you to work outside normal business hours.

The following factors - none of which is conclusive on its own - may indicate whether or not an area set aside has the character of a 'place of business':

- the area is clearly identified as a place of business
- the area is not readily suitable or adaptable for use for private or domestic purposes in association with the home generally
- the area is used exclusively, or almost exclusively, for carrying on a business
- the area is used regularly for client or customer visits.



If you complete your own tax return, you claim your home office expenses at **D5 - Other work-related expenses**.



To help you work out if you can claim home office expenses and how much you can claim, use our [Home office expenses calculator](#).

Running expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=16>
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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, even if the room is not set aside solely for work-related purposes. You may be able to claim:

- the decline in value (depreciation) of home office equipment, such as [computers](#) and [telecommunications](#) equipment - if your equipment costs \$300 or less, you can claim a full deduction for the work-related portion
- the cost of heating, cooling and lighting your home office that is more than the amount you would ordinarily have to pay if you did not work from home
- the costs of repairs to your home office furniture and fittings.

Working out your claim

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=17>
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To claim a deduction for the electricity and gas you use and the decline in value of your office furniture, you can claim **either** of the following:

- a deduction for your actual expenses - you will need to keep a diary of the details of your actual costs and your work-related use of the office
- a deduction you work out at a rate of 34 cents per hour - the fixed rate covers heating, cooling, lighting and the decline in value (depreciation) of furniture in your home office.

If you use the fixed rate, you will need to keep a diary to record the amount of time you use your home office for work purposes. The diary must include a representative period of at least four weeks to establish a pattern of use for the whole year.

For home office equipment, such as computers and telecommunications equipment, see [Phone expenses](#) and [Computer laptop expenses](#).

Example 9: Claiming running expenses using the fixed rate

Rahul uses a diary to record the time he uses his home office for work purposes. Based on his diary entries, Rahul works out he spends an average of three hours each weeknight working in his home office. He works for 38 weeks each year.

Rahul chooses to use the fixed rate of 34 cents per hour to work out the amount he can claim for his home office expenses.

He works out his home office running expense deduction as follows:

38 weeks x 15 hours x 0.34 cents = \$193.80



If you complete your own tax return, you claim your home office expenses at **D5 - Other work-related expenses**.

Records you must keep

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=18>
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The records you must keep include:

- receipts or other written evidence of your expenses, including receipts for depreciating assets you have purchased - for example, your computer
- diary entries you make to record
 - your small expenses (\$10 or less) totalling no more than \$200 that you do not have a receipt for
 - expenses you cannot obtain any kind of evidence for, regardless of the amount - for example, stationery.

Occupancy expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=19>
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Occupancy expenses include rent or mortgage interest, council rates and house insurance premiums. You can only claim occupancy expenses if your home office is considered to be a 'place of business'. If your only income is paid to you as an employee, you are generally not able to claim a deduction for your occupancy expenses.



If your home has the character as a 'place of business' some of the occupancy expenses incurred for the home may be partially deductible. There may also be capital gains tax implications if you sell your home and it has been used as a place of business.

Phone expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=20>
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You can claim a deduction for the cost of work-related phone calls you make, including calls from mobile phones.

You can also claim a deduction for your phone rental if you can show you were on call or you had to call your employer or clients regularly while you were away from your workplace.

If you also used your phone for private purposes, you can only claim the portion of your phone rental costs and calls that relate to your work-related use of the phone.



If you are reimbursed for part or all of your phone expenses, you cannot claim a deduction for that portion.

You may be able to identify your work-related calls individually on your itemised phone account. If you do not receive itemised accounts, you can make a reasonable estimate of your call costs based on diary records you have kept during a minimum four-week period, together with your relevant phone accounts.

Example 10: Claiming phone expenses

Mario uses his mobile phone for work purposes. He is on a set plan of \$49 a month and rarely exceeds the plan cap.

Mario receives an itemised account from his phone provider each month by email that includes details of the individual calls he has made.

At least once a year, Mario prints out his account and highlights the work-related calls he made. He makes notes on his account for the first month about who he is calling for work - for example, his manager and his clients.

Out of the 300 calls he has made in a four-week period, Mario works out that 120 (40%) of the calls are for work and applies that percentage to his cap amount of \$49 a month. The other two months that he reviews are consistent with this.

As Mario was only at work for 46 weeks of the year (10.6 months), he works out his work-related mobile phone expense deduction as follows:

$$10.6 \text{ months} \times \$49 \times 40\% = \$207.76$$



If you complete your own tax return, you claim your work-related phone expenses at **D5 - Other work-related expenses**.

Computer and laptop expenses

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=21>
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You can claim a deduction for the work-related portion of the:

- decline in value (depreciation) of computers, laptops, printers, software and server routers
- cost of repairs to your computer
- interest on money borrowed to finance the cost of the computer
- cost of internet access.

You cannot claim any deduction for decline in value (depreciation) of items used in your employment if they were provided to you by your employer.

If the computer, laptop or software cost **more** than \$300, you must depreciate the asset via the decline in value process.

For computers, laptops and other equipment, there are two methods to work out depreciation:

- the prime cost method
- the diminishing value method.

Depreciation using the prime cost method is worked out as a percentage of the cost of the equipment.

Depreciation using the diminishing value method is worked out initially as a percentage of the equipment's cost and then as a percentage of the written down value.

As a general rule, desktop computers are depreciated over a period of four years, and laptops can be depreciated over three years. You can claim an immediate deduction for the full cost of the item if it costs \$300 or **less**.

If software is purchased as part of a computer system, the total cost of the system is depreciable. If software is purchased separately and costs **more** than \$300, the decline in value (depreciation) is worked out using the prime cost method over a period of four years.

You must apportion the amount of your claim if the computer, laptop or internet has been used in part for private purposes. You need to keep a diary to record the amount of time you use your home computer and internet for work and private purposes. The diary must include a representative period of at least four weeks to establish a pattern of use for the whole year.

Example 11: Claiming computer expenses

Brendan uses his computer and personal internet account at home for work purposes. Brendan records all his computer and internet use in a diary for a representative four weeks, which shows he uses his computer and the internet:

- 40% for work purposes
- 60% for private purposes.

This means Brendan can claim 40% of the depreciation of his computer and 40% of his internet costs.

Example 12: Claiming depreciating computer expenses

Kelly purchased her computer on 5 September for \$3,000 and has worked out that she uses it 40% for work purposes. Kelly looks up the [Effective life of depreciating assets](#) that says the effective life of a computer is four years. She then uses the [prime cost method](#) to work out the decline in value of her computer:

asset's cost	X	<u>days held</u> 365	X	<u>100%</u> effective life of tool	X	work-use percentage
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\$3,000	X	300 <u>(5 Sep-30 Jun)</u> 365	X	<u>100%</u> 4 years	X	40%
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Therefore, Kelly claims \$247 for the decline in value of her computer in the first year.



A depreciating asset (such as a computer) is an asset that has a limited effective life and can reasonably be expected to decline in value over the time you use it.

If you purchase a computer that cost **more** than \$300, you can only claim a deduction for its decline in value.



For more information about how to work out the decline in value of your computer, refer to [Work-related expenses - decline in value](#).

To help you work out your item's decline in value, use our [Decline in value calculator](#).

Union and professional association fees

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=22>
- Last modified: 21 May 2013
- QC 26103

You can claim a deduction for the cost of annual union, professional body and industry association fees.

If the amount you paid is included on your payment summary, you can use the payment summary to prove your claim. However, worker-entitlement fund contributions (for example, welfare fund contributions and similar charges) are generally not deductible.

More information

- <http://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Deductions-for-specific-industries-and-occupations/IT-professionals---claiming-work-related-expenses/?page=23>
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For more information about claiming work-related expenses, refer to the following tools and publications:

- [Car and travel expenses](#)
- [D1 - Work-related car expenses](#)
- [Work-related car expenses calculator](#)
- [D3 - Work-related clothing, laundry and dry-cleaning expenses](#)
- [Work-related uniform expenses calculator](#)
- [D4 - Work-related self-education expenses](#)
- [Self-education eligibility tool](#)
- [Self-education expenses calculator](#)
- [D5 - Other work-related expenses](#)
- [Home office expenses calculator](#)
- [Decline in value calculator](#)

- Work related expenses - decline in value

To obtain copies of our publications:

- use our online ordering service
- phone our publications and distribution service on **1300 720 092**.

For more information about work-related expenses, phone us on **13 28 61** from Monday to Friday, between 8.00am and 6.00pm. We can offer you a more personal service if you provide your tax file number.

Other services

If you do not speak English well and need help from the ATO, phone the Translating and Interpreting Service on **13 14 50**.

If you are deaf, or have a hearing or speech impairment, phone the ATO through the National Relay Service (NRS) on the numbers listed below:

- TTY users, phone **13 36 77** and ask for the ATO number you need
- Speak and Listen (speech-to-speech relay) users, phone **1300 555 727** and ask for the ATO number you need
- internet relay users, connect to the NRS on www.relayservice.com.au <<http://www.relayservice.com.au/>> and ask for the ATO number you need.

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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.

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