

2024 TAX DEDUCTIONS

A range of items you can claim
including those that are not deductible



ACCOUNTING & TAX SOLVED

Thank you for downloading our 2024 tax deductions checklist.

We hope you find this checklist helpful in identifying items that may be a deduction on your 2024 tax return.

We are a comprehensive accounting firm dedicated to helping individuals and businesses manage all aspects of their finances including:

- Tax
- Accounting
- Bookkeeping
- Advisory
- Self-Managed Super Funds
- Lending
- Financial planning

To contact us please visit our website or call us on 0419 030 819.

Kind regards,
Accounting & Tax Solved

www.accountingandtaxsolved.com.au

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**Admission Fees**

For lawyers and other professionals. Disallowed as this is a capital cost.

**Airport Lounge Membership**

Deductions to the extent used for work-related purposes.

**Annual Practising Certificate**

Applies to professional persons and other contractors who must pay an annual fee to practice in their chosen field.

**Bank Charges**

Deductions are allowed if account mainly earns interest. Not private transaction fees.

**Briefcase**

If used for work and/or business purposes the cost is fully deductible if \$300 or less. If more than \$300, it must be depreciated.

**Calculators and Electronic Organisers**

If used for work and/or business purposes the cost is fully deductible if \$300 or less. If more than \$300, it must be depreciated.

**Childcare Fees****Club Membership Fees****Coaching Classes**

Allowed to performing artists to maintain existing skills or to obtain related skills.



**Clothing, Uniforms and Footwear**

You can claim your costs to buy or clean occupation-specific clothing that distinctly identifies you as a person associated with a particular occupation, such as:

- a chef's chequered pants
- a judge's robe.

You can claim:

- a compulsory uniform that is unique and to an organisation
- a non-compulsory uniform if on a register kept by the Department of Industry, Science and Tourism
- occupational specific clothing that identifies a trade, vocation or profession
- protective clothing that must be used to protect the person or their conventional clothing. May include sunscreen.

You can't claim for clothes you wear for work that are not specific to your occupation, may be worn in multiple professions or are everyday clothes. For example, you can't claim for:

- a bartender's black trousers and white shirt
- a business suit
- a swimming instructor's swimwear.

**Computer and Software**

If used for work and/or business purposes the cost is fully deductible if \$300 or less. If more than \$300, it must be depreciated. Software is depreciated over 2.5 years.

**Conferences, Seminars and Courses**

Allowed if designed to maintain or increase employee's knowledge, skills or ability.

**Conventional Clothing**

Unless deemed to be stage clothing for an arts performer.



**COVID-19 Tests**

If test was used for work related purpose, you paid for it and it was not reimbursed to you by your employer and was a PCR or RAT test. NOTE: not deductible if you work from home and do not intend to attend your workplace.

**Cryptocurrency Software****Depreciation**

Tools, equipment and plant used for work purposes for each item costing more than \$300. Items costing \$300 or less are deductible outright in the year of acquisition.

**Driver's Licence**

Cost of acquiring and renewing.

**Dry Cleaning**

Allowed if the cost of the clothing is also deductible. See also 'Laundry'.

**Entertainment Expenses**

This includes events, dinners, dances and cocktail parties, even if they are attended exclusively by your work colleagues, you discuss work at the functions and they are compulsory. These aren't deductible expenses.

**Fines**

Imposed by court, or under law of Commonwealth, State, Territory for foreign country [s26-5].

**First Aid Course**

Provided it is directly related to employment or business activities.



**Gaming Licence**

Hospitality industry.

**Gifts and Donations of \$2 or more**

If made to an approved 'deductible gift recipient' body or fund. See ato.gov.au for a full list. Gifts to clients are deductible if employees can demonstrate a direct connection with earning assessable income.

**Glasses, Contact Lenses and Goggles (Prescribed)**

These would qualify as medical expenses (which themselves are being phased out). Deductible if 'protective clothing'.

**Grooming**

Unless employed as an aircraft cabin crew or a performing artist (limits apply).

**HELP / HECS Repayments****Home Office Expenses**

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.

Running expenses (for example electricity, gas and depreciation of office furniture - desk, tables, chairs, cabinets, shelves, professional library).

Occupancy expenses (for example rent, insurance, rates and land tax). Deductible only to the extent that a portion of the home is used as a place of business and has the characteristics of a business.

**Income Protection Insurance**

Allowed only if the proceeds upon a claim are assessable.



**Insurance - Sickness or Accident**

Allowed only if the proceeds upon a claim are assessable.

**Interest**

Allowed if money borrowed for work related purposes or to finance income earning assets. Interest is paid on underpayment of tax (e.g. General interest charge) is deductible. Fines and administrative penalties are not deductible. Interest on capital protection loans is deductible except for non-deductible capital protection component.

**Internet and Computer Equipment**

Expenses allowed to the extent incurred in deriving an individual's work-related income, carrying on a business or earning investment income (e.g. share investing).

**Laundry and Maintenance**

Allowed if the cost of clothing is allowable (see 'Clothing, Uniforms and Footwear'). Reasonable claims of up to \$150 do not need to be substantiated.

**Legal Expenses**

Renewal of existing employment contract.

Meals

Eaten during normal working day



Meals acquired when travelling overnight for work related purpose



Meals when travelling (not overnight)



Overtime meals. If allowance received under an award.



Medical Examination

- ✓ From the referral of a work-related business licence and shown on your payment summary
- ✗ To obtain a job

✗ Newspapers and Magazines

The cost of newspapers, magazines, news services and other news subscriptions are a private expense. If you can show there is sufficient connection between your specific employment duties and the content of the specific publication, you can claim a deduction.

✓ Periodicals, Books and Digital Information

To claim a deduction you must:

- use them in connection with performing your current work duties
- have a record of your expense and use of the item.

Books, periodicals and digital information you use for work may include:

- library subscriptions
- academic journals
- technical journals
- database subscriptions
- reference books and similar
- online subscriptions
- electronic material, such as e-books and e-journals
- other digital materials

Please see the ATO website for how to calculate these deductions: www.ato.gov.au

You can't claim a deduction for:

- your use of the books, periodicals and digital information for private purposes
- expenses for books, periodicals and digital information that someone else supplies for your use.

If your work related use is incidental to your private use, you can't claim a deduction for the book, digital information service or periodical.



**Overtime Meal Expense**

Only if an overtime meal allowance under an award has been received.

**Parking Fees and Tolls**

Includes bridge and road tolls (not fines) paid while travelling for work related purposes.

Photographs (Performing Arts)

Cost of preparing a portfolio



Cost of maintaining a portfolio

**Prepaid Expenses**

Non-business individuals and Small Business Entity (SBE) taxpayers claim is fully deductible if services are to be performed in a period not exceeding 12 months. All other taxpayers must apportion claim over the period of service.

**Professional Association Fees****Professional Library (Books, CDs, Videos etc.)**

Established library (depreciation allowed).

New books if \$300 or less can claim a deduction for the full amount (includes a set if total is \$300 or less).

New books if over \$300 can depreciate (includes a set of total cost is more than \$300).

**Protective Equipment**

Includes harnesses, goggles, safety glasses, breathing masks, helmets and boots. Claims for sun-screen, sunglasses and wet weather gear allowed if used to provide protection from natural environment.



**Removal and Relocation Costs**

If paid by the employer, may be exempt from FBT, but deductible to the employer.

**Repairs**

To income producing property and or work-related equipment.

**Self-Education Costs**

Claims for fees, books, travel and equipment etc. only allowed if there is a direct connection between the course and the person's income earning activities.

**Seminars**

Including conferences and training courses if sufficiently connected to work activities.

**Social Functions****Stationary**

Diaries, logbooks, pens papers etc.

Subscriptions

Publications if a direct connection between publication and income earned by taxpayer.



Professional associations. Maximum of \$42 if no longer gaining assessable income from that profession.



Sports club



**Sun Protection**

Claims for sunglasses, hats and sunscreen allowed for taxpayers who work outside.

**Superannuation Contributions**

Claims allowed in respect of employees of your business.

Personal superannuation contributions - to claim your deduction, you need to provide acknowledgement from your superannuation fund that you have submitted an intention to claim form with them.

No deduction is available for interest on borrowed monies used to finance deductible personal superannuation contributions.

**Tax Agent Fees**

Deduction can be claimed in the income year the expense is incurred. Travel and accommodation expenses if for travel to a tax agent or other recognised tax adviser to obtain tax advice, have returns prepared, be present at an audit or object to an assessment.

Cost of other incidentals if incurred in having a tax return prepared, lodging an objection or appeal or defending an audit.

**Technical and Professional Publications****Telephones and Other Telecommunications Equipment**

Including mobiles, pagers and beepers. Cost of telephone calls (related to work purposes)



Rental charges (if 'on call' or required to use on regular basis)



Silent telephone number



Installation or connection (depreciable if dedicated to earning business income)



**Tools**

Work related only. If cost is \$300 or less, you can claim the full amount. If cost is more than \$300, the amount will be subject to depreciation.

**Trauma Insurance**

If benefits are capital in nature.

Travel Expenses

Including public transport, motor vehicles and motorcycles, fares, accommodation, meals and incidentals for travel between home and work.



Where an employee has no usual place of employment (e.g. travelling salesperson).



If 'on call'.



If you are working before leaving home (e.g. doctor giving instructions over phone from home. Note this applies in limited circumstances only).



Must transport bulky equipment (e.g. builder with bulky tools) and no reasonable place to leave at work. (Currently under scrutiny by the ATO)



Travel from home (which is a place of business) to usual place of employment.



Travel from home to alternate workplace (for work related purposes) and return to normal workplace (or directly home).



Travel between normal workplace and alternate place of employment (or place of business) and return to normal workplace (or directly home).



Travel between two workplaces.



Travel in course of employment: Please visit www.ato.gov.au for substantiation rules.



Travel accompanied by relative (may be allowed if relative is also performing work related duties).



**Union and Professional Association Fees****Vaccinations****Watch**

Unless job specific such as a nurse's fob watch.

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