



## Common work-related claims made by individuals

The following outlines common types of deductible expenses claimed by individual taxpayers, such as employees and rental property owners, plus some strategies that can be adopted to increase deductions for the 2012/13 income year.

### 1. Depreciable plant, etc. costing \$300 or less

Salary and wage earners and rental property owners will generally be entitled to an immediate deduction if certain income-producing assets costing \$300 or less are purchased before 1 July 2013.

Some purchases you may consider include:

- fax machines;
- books and trade journals;
- briefcases/luggage or suitcases;
- calculators, electronic organisers;
- electronic tablets;
- software;
- stationery;
- tools of trade.

### 2. Clothing expenses

Purchase or pay for work-related clothing expenses prior to the end of the income year, such as:

- compulsory (or non-compulsory and registered) uniforms, and occupation specific and protective clothing;
- other expenses associated with such work related clothing, such as dry cleaning, laundry and repair expenses.

### 3. Self education expenses

Consider pre-paying the following self education items before the end of the income year:

- course fees (but not HECS-HELP fees), student union fees, and tutorial fees;
- interest on borrowings used to pay for any deductible self education expenses.

Also bring forward purchases of stationery and text books (i.e., those which are not required to be depreciated).

### 4. Other work-related expenses

Employees can prepay any of the following expenses prior to 1 July 2013:

- union fees;
- subscriptions to trade, professional or business associations;
- magazine and newspaper subscriptions;
- seminars and conferences;
- income protection insurance (excluding death and total/permanent disability).

*Note: When prepaying any of the expenses above before 1 July 2013, ensure that any services being paid for are to be provided within a 12 month period that ends before 1 July 2014. Otherwise, the deductions must generally be claimed over the period of the prepayment.*

## Information Required

We will need you to bring information to assist us in preparing your income tax return. Please check the

following and bring along payment summaries, statements, accounts, receipts, etc., to help us prepare the return.

### Income/Receipts:

- payment summaries for salary and wages;
- lump sum and termination payments;
- government pensions and allowances;
- other pensions and/or annuities;
- allowances (e.g., entertainment, car, tools);
- interest, rent and dividends;
- distributions from partnerships or trusts;
- details of any assets sold that were either used for income earning purposes or which may be caught by capital gains tax (CGT).

### Deductions (in addition to those mentioned above):

- award transport allowance claims;
- bank and government charges on deposits of income, and deductible expenditure;
- bridge/road tolls (travelling on business);
- car parking (when travelling on business);
- conventions, conferences and seminars;
- depreciation of library, tools, business equipment (incl. portion of home computer);
- gifts or donations;
- home office running expenses:
  - cleaning
  - cooling and heating
  - depreciation of office furniture
  - lighting
  - telephone and internet;
- interest and dividend deductions:
  - account keeping fees
  - ongoing management fees
  - interest on borrowings to acquire shares advice relating to *changing* investments (but *not* setting them up);
- interest on loans to purchase equipment or income-earning investments;
- motor vehicle expenses (business/work related);
- overtime meal allowances;
- rental property expenses – including:
  - advertising expenses
  - council/water rates
  - insurance
  - interest
  - land tax
  - legal expenses/management fees
  - genuine repairs and maintenance
  - telephone expenses
  - travelling to inspect property;
- superannuation contributions by sole traders or substantially unsupported taxpayers;
- sun protection items;
- tax agent fees;
- telephone expenses (business);
- tools of trade.