



**PERSONAL
TRAINER**

9 ways fitness trainers can trim their tax

There's not a lot of time left over from early morning boot camps, evening trim classes and days filled with coaxing the best physical condition out of people. You work your body hard and you train people to work theirs hard as well, so come tax time, you also want to maximise your deductions, trim your tax and exercise your claims into prime shape.

So let's help you coax a bit more cash out of the end of financial year and give you some extra moola in your hand. These top 9 tax tips are sure to put an extra spring in your thousand steps as well as your pocket!

Golden rules

Like every well-followed exercise plan, the ATO has three golden rules when it comes to claims:

- You must have already uncured the expense and paid for it
 - The expense must relate directly to your income
- You must be able to back your claims with solid proof of purchase, so make sure to keep your paperwork

So, let's get into it

1 Clothing

There's nothing like specially-designed material to wick the sweat away, but unless you wear a uniform with a company logo on it, and you have

not already been reimbursed for the expense from your employer, you can't claim general gym clothing. That cute little Adidas bra-lette? Or those awesome Nikes for your weekend basketball games? The ATO considers those items general clothing that can be worn outside of work. Don't claim unless you want the ATO to workout your finances.

The good news, is that if you have to wear protective clothing, like sunhats, sunglasses, sunscreen, UV protection swim tops, keep those receipts because those are legitimate claims.

2 Fitness equipment

You can't run a fitness class without some equipment. Any equipment used exclusively for your clients (bought or hired), such as mats, weights, machines, even water bottles can be deducted.

If you stream music for your clients, you're eligible to claim your sound system and even your streaming service. Party on! But if you use your gear for personal use as well, make sure you only claim your work-related costs. The ATO doesn't pay out for you bopping out at home while you do the housework.

You're eligible to claim \$300 worth of equipment directly related to your income. If you've bought more than \$300 worth of equipment, you're able to depreciate your costs over a period of years.

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Setting up a gym? The ATO allows \$30,000 instant write-off. This means that \$30,000 worth of equipment can be written off in the same year. No waiting needed. When it comes to depreciation and write offs, its best to speak with a skilled tax accountant. They'll know exactly what you'll need to do to make the most out of your tax.

3 Vehicle expenses

Do you run personalised exercise classes outside of the gym? Lead a group in a park? Run between gyms and clients? You may be eligible to claim car expenses. Expenses such as petrol, maintenance and repairs all can be claimed, using the log book method or you may choose to claim based on cents per kilometre method.

Flights, public transport, meals and accommodation, parking, tolls and hire cars may also be claimable if you've been a busy bod and incurred costs related to earning your income.

4 Home office

Many trainers in the fitness industry work outside of an office, but you still have to do your paperwork. If you have a dedicated space at home where you invoice clients, balance your accounts and do your business, you can claim costs such as gas, electricity, internet and phone.

If you have a dedicated home gym, you may even consider deducting capital claims, but beware with this expense. You may have to pay the ATO a bill if you move. It's best to get some professional advice when you claim your home gym.

5 Professional services

Taking care of business means taking care of deductions and there are a few that can fall through the cracks. These include domain names, web hosting fees, design services, photography, printing business stationery, promotions, events or tradeshows you've taken part in.

Hiring a professional with your business not only frees up your time to spend with more clients, their expertise will keep your business in peak condition. Hired a virtual assistant to keep you on your toes? Claimable. Professionals such as advertisers,

marketers, lawyers or bookkeeping are legitimate costs and claims.

6 Training

You train other people, but what happens when it's time to update your own skills? There's always new trends in fitness and health, and those costs can be a deduction. As long as the course of your choice directly relates to your income, you can claim the educational fees, materials, stationery, books, travel to and from the educational institute, and percentage of phone and internet expenses.

If you've attended conferences or professional workshops – keep your receipts, you're eligible to claim these expenses as well as any training course.

7 Industry Associations

It's healthy to note that you'll be able to claim any associations, licenses, unions, memberships, magazines, journals, books, apps or websites which directly relate to your work.

8 Gym memberships

It's almost impossible to train and coach fitness without a gym. However, if you're a member of a gym for your own fitness, sadly, you won't be able to make that claim. Fitness coaches and trainers are ruled out by the ATO of claiming gym memberships.

9 Keep your records

There are a plethora of claims you can make, but if you can't prove that you've incurred the cost, your claim will not be eligible in the eyes of the ATO. Keep all of your receipts, invoices, bank and credit card statements. You can't just rely on bank statements alone, as they may not have all of the information you need to justify your claim.

ITP recommends the use of online apps to help prove your claims. Not only will they keep your bookkeeping up to date so you'll know exactly what expenses you've incurred, you'll have the right information stored in the cloud if you do happen to lose your paper receipts.

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Good business sense

It makes good business sense to keep your costs in check, and tax time is no different. Maximising your return means keeping more of your money in your own pocket. The ATO's job isn't to maximise tax deductions. They won't tell you every available claim you can make, but ITP The Income Tax Professionals will.

Our tax accountants specialise in tax and will go out of their way to make sure you've claimed everything you're eligible to make. With over 240 offices throughout Australia, there's sure to be an office near you. We also provide a remote tax service if it's hard to visit an office. Our consultants are available after hours upon appointment and also over the phone. If you're a customer of ITP, you'll have expert advice all year round for free!

If you think you've made a mistake on your return, an ITP tax agent can amend your return for you. We help over 300,000 Australians with their tax each year. If you'd like to talk about possible deductions and professional accounting advice, call a Professional today.

ITP The Income Tax Professionals are more than tax agents. They have been helping Australian individuals and businesses with their business accounting and advice for 50 years and offer a wealth of knowledge. Speak to a Professional today and see how your business can be more profitable.



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