

# DEDUCTIONS YOU CAN CLAIM

## REAL ESTATE PROFESSIONAL

### CAR EXPENSES

✓ **You can claim** a deduction when you are:

- Driving between separate workplaces – eg a second job
- Driving to and from an alternate workplace for the same employer (eg travelling between two different residential open homes).

✗ **You can't claim** the cost of trips between home and work, even if you live a long way from your usual workplace or have to work outside normal business hours – eg to attend a weekend auction.

There are limited circumstances where you can claim the cost of trips between home and work, such as where you carry bulky tools or equipment for work – eg a large 'for sale' sign and tools to erect it. The cost of these trips is deductible only if:

- Your employer requires you to transport the equipment for work
- The equipment was essential to earning your income
- There was no secure area to store the equipment at the work location, and
- The equipment is bulky – at least 20kg or cumbersome to transport.

If you claim car expenses, you need to keep a logbook to determine the work-related percentage, or be able to demonstrate to the ATO a reasonable calculation if you use the cents per kilometre method to claim.

### TRAVEL EXPENSES

✓ **You can claim** a deduction for travel expenses if you have to travel overnight from your usual work location – eg traveling to a remote area to inspect a property – provided the cost was incurred while carrying out your work duties. Travel expenses may include meals and accommodation, fares, petrol and incidentals such as parking fees and tolls.

✗ **You can't claim** receiving a travel allowance from your employer does not automatically entitle you to a deduction. You still need to show that you were away overnight, you spent the money yourself, and the travel was directly related to earning your income – eg it was not a personal expense.

## TO CLAIM A DEDUCTION FOR WORK-RELATED EXPENSES

You can only claim the work-related part of expenses. You can't claim a deduction for any part of the expense that relates to personal use.

- ✓ You must have a record to prove it
- ✓ You must have spent the money yourself and weren't reimbursed
- ✓ It must be directly related to earning your income

### HOME OFFICE, PHONE AND INTERNET EXPENSES

✓ **You can claim** a percentage of the running costs of your home office if you have to work from home, including depreciation of office equipment, work-related phone calls and internet access charges, and electricity for heating, cooling and lighting costs.

✗ **You can't claim** the cost of rates, mortgage interest, rent and insurance.

### CLOTHING AND LAUNDRY EXPENSES

✓ **You can claim** a deduction for the cost of buying, hiring, mending or cleaning certain uniforms that are unique and distinctive to your job eg clothing items you're required to wear which have a logo that is unique and distinctive to your employer.

✗ **You can't claim** a deduction for the cost of:

- Buying or cleaning plain clothing worn at work, even if your employer tells you to wear it and even if you only wear it for work, eg black pants and a white shirt.
- For hairdressing, cosmetics, hair and skin care products, even if your employer tells you to use them, or you are required to be well-groomed.

### OTHER COMMON DEDUCTIBLE WORK-RELATED EXPENSES

✓ Other expenses **you can claim** include:

- Marketing equipment – eg the work-related portion of cameras used for property photos
- Decorating properties – eg flowers
- Union and professional association fees
- Renewing your annual Certificate of Registration
- Technical or professional publications.

