FINDEX



Is it tax deductible?

Everyone wants to pay less tax. To do that, you need to know what you can claim, and what you can't.

It's not about beating the system or creative accounting. It's about claiming what you're entitled to. That's why we've developed this checklist – to help take the guesswork out of tax time.

Note, because the tax consequences depend on your specific facts of the case, this checklist is not advice.

Item	Yes	No
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 practise in their chosen field.	✓	
Bank charges Deductions are allowed if the account mainly earns interest. It does not include private transaction fees.	✓	
Briefcase + calculators 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		✗
Clothing, uniforms + footwear		
Compulsory uniform – The uniform must be unique to an organisation, e.g. corporate uniform.	✓	
Non-compulsory uniform – If the employer has registered the uniform on the Register of Approved Occupational Clothing.	✓	
Occupational specific clothing – The clothing identifies a trade, vocation or profession, e.g. chefs and nurses).	✓	
Protective clothing – Must be used to protect the person or their conventional clothing. May include sunscreen.	✓	

Item	Yes	No
Club membership fees		✗
Coaching classes Allowed to performing artists to maintain existing skills or obtain related skills.	✓	
Computer hardware + software The business use portion of the cost of computer hardware (e.g. laptops, monitors, backup drives etc) and software may be immediately deductible if the cost is $300 or less. If the expense is more than $300, it will need to be depreciated.	✓	
Conferences, seminars + courses Allowed if designed to maintain or increase an employee's knowledge, skills or ability.	✓	
Conventional clothing Unless deemed to be stage clothing for an arts performer.		✗
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 + maintenance'.	✓	
Entertainment expenses	✓	
Fines Imposed by court, or under law of Commonwealth, State, Territory or foreign country.	✓	
First aid course Provided it is directly related to employment or business activities.	✓	
Gifts / donations of $2 or more If made to an approved 'deductible gift recipient' body or fund. See **Australian business register** for a full list. Gifts to clients are deductible if employees can demonstrate a direct connection with earning assessable income.	✓	
Glasses + goggles Protective only.	✓	
Grooming Unless employed as aircraft cabin crew or a performing artist (limits apply).	✓	

Item	Yes	No
HELP / HECS repayments		✗
Home office expenses You may be able to claim a deduction under one of two methods: 1. Revised fixed rate method (i.e. claim at a fixed hourly rate and can claim certain other home office running expenses). Must maintain a log book of hours worked from home, estimates are not accepted by the ATO. 2. Actual cost method (claim the actual expenses relating to the home office that was incurred).	✓ ✓	
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 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 a non-deductible capital protection component.	✓	
Internet expenses 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 + maintenance Allowed if the cost of clothing is allowable. See also 'Clothing, uniforms + footwear'. Reasonable claims of up to $150 do not need to be substantiated.	✓	
Legal expenses Generally legal expenses are not deductible except in certain circumstances. (e.g. legal expenses for 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).	 ✓	✗ ✗
Medical examination Medical examination for obtaining or renewing a special licence or permit required to perform your current work duties (e.g. a heavy vehicle permit). Medical examination for obtaining or renewing a standard driver's licence. Pre-employment medical examination.	✓	 ✗ ✗

Item	Yes	No
Newspapers Claims may be allowed in limited cases if the publication is directly related to income-producing activities.		✗
Parking fees + tolls Includes bridge and road tolls (but not fines) paid while travelling for work-related purposes.	✓	
Photographs (performing arts) Cost of maintaining portfolio. Cost of preparing portfolio.	✓	✗
Prepaid expenses Individuals can generally claim a deduction for prepaid expenses if services are to be performed in a period not exceeding twelve months.	✓	
Professional library (books + multimedia) Established library. (Depreciation allowed). New books if $300 or less - Full claim includes a set if total cost is $300 or less. New books if more than $300 - Depreciation includes a set if total cost is more than $300.	✓ ✓ ✓	
Protective equipment Includes items such as harnesses, goggles, safety glasses, breathing masks, helmets, high-vis safety vests, gloves, fire resistant clothing, overalls, aprons and protective boots. Claims for sunscreen, sunglasses and wet weather gear allowed if used to provide protection from natural environment.	✓	
Removal + relocation costs		✗
Repairs To income producing property or work-related equipment.	✓	
Social functions		✗
Seminars Includes conferences and training courses if sufficiently connected to work activities.	✓	
Self-education costs Claims for fees, books, travel (see below) and equipment etc. only allowed if there is a direct connection between the course and the person's income earning activities.	✓	
Stationery Diaries, log books, pens, paper etc.	✓	

Item	Yes	No
Subscriptions and professional association fees		
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 memberships.		✗
Sun protection		
Claims for sunglasses, hats, sunscreen and sun protection clothing with a UPF sun protection rating allowed for taxpayers who work outside.	✓	
Superannuation contributions		
Deductible where you have met certain conditions, including submitting a notice of intent to claim a deduction form with your superannuation fund and having received a letter from the fund acknowledging the claim.	✓	
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 tax return prepared, lodging an objection or appeal or defending an audit.	✓	
Telephones and mobile phones		
A phone handset is deductible to the extent it is used in undertaking employment duties. If the phone has a cost of more than $300, then it must be depreciated. Phone usage is deductible to the extent the phone is used in undertaking employment duties.	✓	
Tools		
Work related only. It needs to be depreciated if the cost is more than $300.	✓	
Trauma insurance		
If benefits capital in nature.		✗

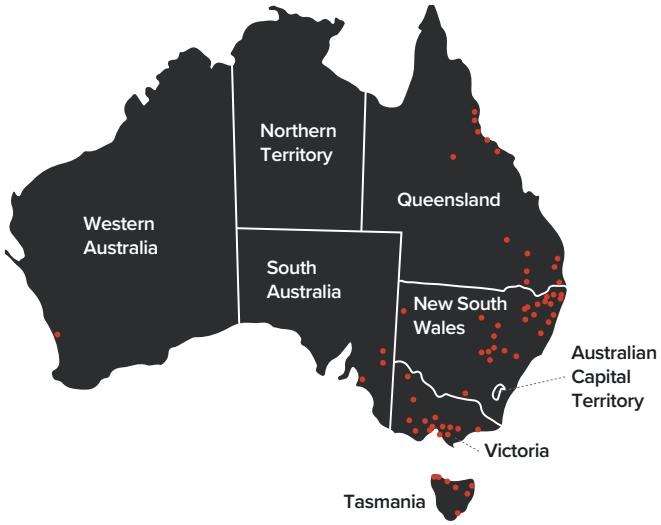
Item	Yes	No
Travel expenses		
Including public transport, motor vehicles and motorcycles, fares, accommodation, meals and incidentals for travel between home and work.		✗
Where employee has no usual place of employment (e.g. travelling salesperson).	✓	
If 'on call'.		✗
If you're working before leaving home (e.g. doctor giving instructions over phone from home. Note that this applies in limited circumstances only).	✓	
Must transport bulky equipment (e.g. builder with bulky tools) and no reasonable place to leave at work.	✓	
Travel from home (which is a place of business) to usual place of employment.		✗
Travel from home to alternate work place (for work-related purposes) and return to normal work place (or directly home).	✓	
Travel between normal work place and alternate place of employment (or place of business) and return (or directly home).	✓	
Travel between two work places.	✓	✗
Travel in course of employment (subject to substantiation rules).	✓	
Travel accompanied by relative (may be allowed if relative is also performing work-related duties).		✗
Union + professional association fees	✓	
Vaccinations	✓	
Watch		
A watch will only be deductible if it is job specific such as a nurse's fob watch. If the watch costs more than $300, it will need to be depreciated.	✓	
Smart watches are generally not deductible except in limited circumstances where some of the smart watch's functions are an essential part of your employment activities. A diary must be maintained for your use of the device for a representative period.		✗

FINDEX

About Findex

With more than 100 offices throughout Australasia, Findex combines local insight with global reach to provide integrated finance and advisory solutions that enrich the lives of our clients and the communities they live in.

As one of the largest privately-owned providers of integrated financial advisory and accounting services in Australia and New Zealand, our vast footprint enables us to connect people and ideas throughout regional, rural and metropolitan communities, building solutions and solving problems so they are better for having known us.



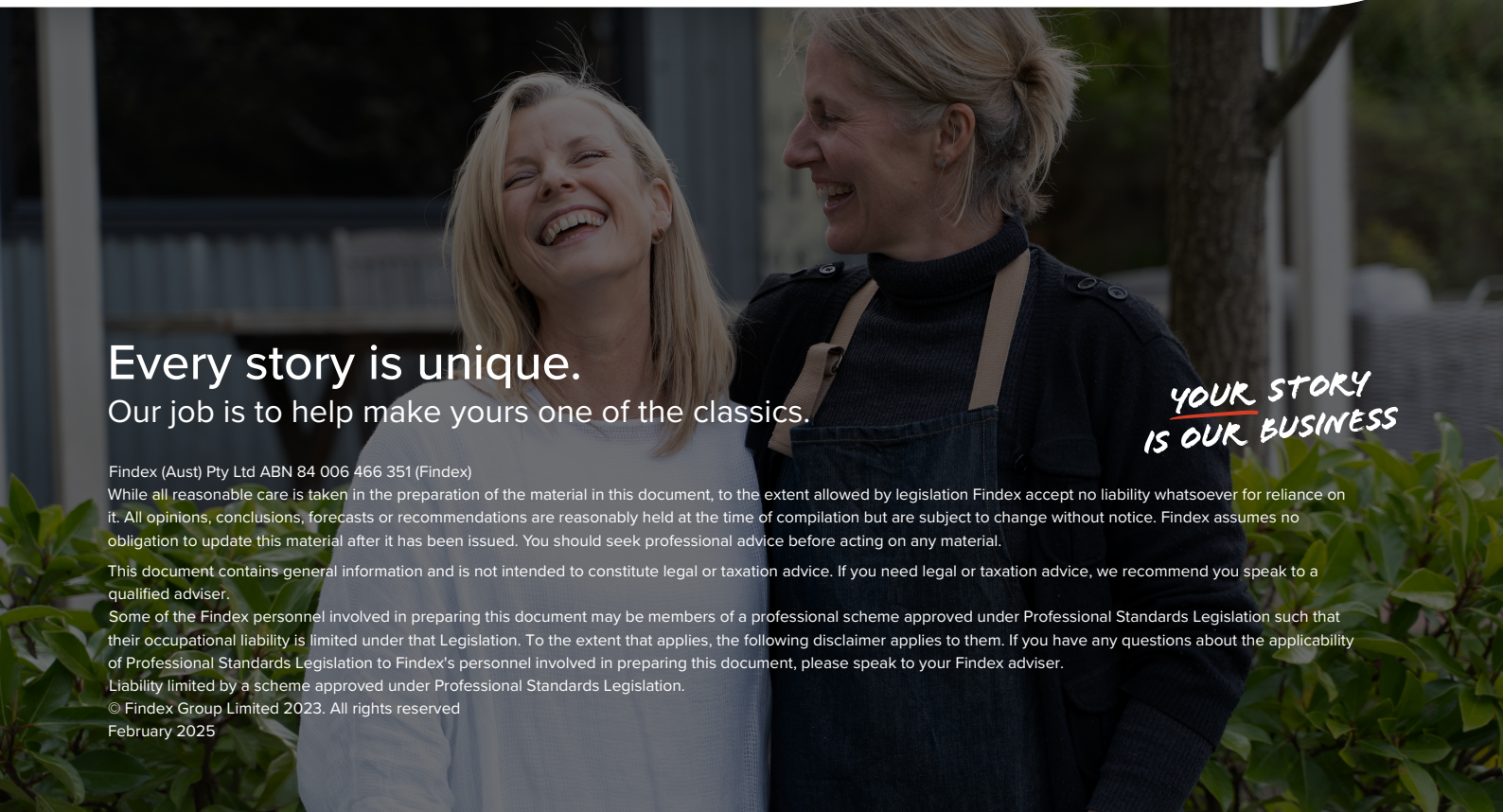
Next steps with Findex

We welcome the opportunity to help you find solutions to your challenges, explore opportunities to maximise your profitability and minimise any of your financial concerns.

Talk to us
Call us for free on **1300 856 065.** This number will transfer you to your closest office, where we will be happy to connect you with the best person to assist you.

Visit our website
We have a range of tools and ideas to help businesses, as well as specific information about our services and people.

findex.com.au



Findex (Aust) Pty Ltd ABN 84 006 466 351 (Findex)
While all reasonable care is taken in the preparation of the material in this document, to the extent allowed by legislation Findex accept no liability whatsoever for reliance on it. All opinions, conclusions, forecasts or recommendations are reasonably held at the time of compilation but are subject to change without notice. Findex assumes no obligation to update this material after it has been issued. You should seek professional advice before acting on any material.

This document contains general information and is not intended to constitute legal or taxation advice. If you need legal or taxation advice, we recommend you speak to a qualified adviser.
Some of the Findex personnel involved in preparing this document may be members of a professional scheme approved under Professional Standards Legislation such that their occupational liability is limited under that Legislation. To the extent that applies, the following disclaimer applies to them. If you have any questions about the applicability of Professional Standards Legislation to Findex's personnel involved in preparing this document, please speak to your Findex adviser.
Liability limited by a scheme approved under Professional Standards Legislation.
© Findex Group Limited 2023. All rights reserved
February 2025