

# Engineer

*This is summary information for more details please visit our website or call us*

## DIA Taxation

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- To claim a deduction for work-related expenses
- you must have spent the money yourself and weren't reimbursed
  - it must be directly related to earning your income
  - you must have a record to prove it.\*

\* You can use the *myDeductions* tool in the ATO app to keep track of your expenses and receipts throughout the year.

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.

## Car expenses



- ✓ **You can claim** the cost of using a car you own when you drive:
  - between separate jobs on the same day – for example, travelling from your main job as a mechanical engineer to your second job as a university lecturer
  - to and from an alternate workplace for the same employer on the same day – for example, travelling from your office to a job site.
- ✗ **You can't claim** the cost of trips between home and work, even if you live a long way from your usual workplace or work outside normal business hours.
- ✓ In limited circumstances **you can claim** the cost of trips between home and work, where you carry bulky tools or equipment for work. You can claim a deduction for the cost of these trips if:
  - the tools or equipment are essential to perform your employment duties and you don't carry them merely as a matter of choice
  - the tools or equipment are bulky – this means that because of the size and weight they are awkward to transport and can only be transported conveniently by the use of a motor vehicle
  - there is no secure storage for the items at the workplace.

If you claim car expenses, you can use the logbook method or the cents per kilometre method. If you use the logbook method, you need to keep a valid logbook to determine the percentage of work-related use of your car along with evidence of your car expenses. If you use the cents per kilometre method, you need to be able to show how you calculated your work-related kilometres and be able to show that those kilometres were work related.

## Clothing, footwear and laundry expenses



- ✗ **You can't claim** the cost of buying or cleaning conventional clothing or plain uniforms worn at work – for example work wear brand shirts or plain black pants, even if you only wear it to work and your employer tells you to wear it
- ✓ **You can claim** the cost of buying, hiring, repairing, replacing or cleaning uniforms that are:
  - protective clothing
  - compulsory uniforms
  - non-compulsory uniforms registered with AusIndustry (check with your employer if you're unsure).
- ✓ **You can claim** clothing and footwear that you wear to protect yourself from the risk of injury or illness posed by your income-earning activities or the environment in which you carry them out. To be considered protective, the items must provide a sufficient degree of protection against that risk – for example, gloves and protective boots.
- ✗ **You can't claim** a deduction for clothing and laundry expenses if your employer supplies and launders the clothing.

## Self-education and study expenses



- ✓ **You can claim** a deduction for self-education and study expenses if they directly relate to your current employment as an engineer and they:
  - maintain or improve the skills and knowledge you need for your current duties
  - result in or are likely to result in an increase in your income from your current employment.
- ✗ **You can't claim** a deduction if your study is only related in a general way to your current job or is designed to help you get a new job.

## Meal expenses



- ✓ **You can claim** the cost of a meal that you buy and eat when you work overtime, if you receive an overtime meal allowance under an industrial law, award or agreement and it's included in your assessable income.
- ✗ **You can't claim** a deduction for the cost of food, drink or snacks you consume during your normal working day, even if you receive an allowance to cover the meal expense. These are private expenses.

## Home office expenses



- ✓ **You can claim** the work-related portion of running expenses for your home office when you work from home, including the decline in value of your office equipment, internet costs and electricity for heating, cooling and lighting.

You can only claim a deduction for the additional running costs incurred as a result of working from home. For example, if you work in your lounge room when others are also present, the cost of lighting and heating or cooling that room is not deductible because there is no additional cost for those expenses as a result of you working from home.

To work out your home office expenses, you can either use a fixed rate of 52 cents per hour for each hour that you work from home or calculate your actual expenses.
- ✗ **You can't claim** occupancy expenses, such as the cost of rates, mortgage interest, rent and insurance.

## Other expenses



- ✓ **You can claim** the work-related portion of other expenses if it relates to your employment, including:
  - parking fees and tolls where car expense conditions are met
  - transport or car expenses covered by an award transport payment where you have actually spent the money on deductible work-related travel
  - union and professional association fees
  - phone and internet costs, apportioned for private and work use, with records showing a detailed usage pattern
  - renewal of licences, permits, certificates or white cards related to your work (but you can't claim the initial cost of getting your licence, permit, card or certificate in order to gain employment)
  - technical or professional publications.
- ✗ **You can't claim** a deduction if the cost was met or reimbursed by your employer.