



# Information technology professionals - deductions you may be able to claim

This summary outlines some of the deductions you can and cannot claim as an information technology professional.

## Car expenses

Your home to work travel is not deductible, even if:

- you do small tasks while travelling to and from work, such as collecting mail
- you travel outside normal employment hours
- you are required to be on call
- you live a long distance from your work place, or
- there is no public transport available.

## Travel expenses

Travel expenses relating to the attendance at conferences, seminars and other work-related events are deductible to the extent that they relate to income-producing activities. You will need to apportion your travel expenses where both work-related and private activities are undertaken. Travel costs to and from the location of the work-related event will only be deductible where the primary purpose of the travel was to attend the event.

Accommodation, food and other incidental costs must be apportioned between work-related and private activities taking into account the types of activities that were undertaken on the day they were incurred.

## Decline in value

You can claim a deduction for the cost of purchasing tools or equipment (if under \$300) which you use for your work. If they cost more than \$300, you must depreciate the assets via the decline in value process. The publication [Guide to depreciating assets](#) has more information.

As a general rule, desktop computers are depreciated over a period of four years, and laptops can be depreciated over three years. You must apportion the amount of your claim where the equipment has been used in part for private purposes or was not available for use during all of the income year.

## Home office expenses

You can only claim occupancy expenses (such as interest on mortgage or rent paid) where your home office is considered to be a place of business. Where an employer has an office in the city or town where you reside, your home office will not be a place of business, even if your work requires you to work outside normal business hours. Refer to [Taxation Ruling TR 93/30 – Deductions for home office expenses](#) for more information.

You can claim the additional running expenses for your home office by apportioning the actual costs incurred or using a fixed rate of 26 cents per hour. You need to keep a record of the time spent in your home office on employment activities. This record must cover a representative period and a reasonable time (generally four weeks).

## Other work-related expenses

You must apportion expenses, such as mobile phone calls, home phone calls and internet usage between business and private use. If you don't have an itemised account from your phone company, your personal records (such as diary entries), which cover a representative four-week period, are acceptable in establishing a pattern of use for the entire year.

## Union and professional association fees

Union and professional association membership fees are deductible. However, worker entitlement fund contributions (for example, welfare fund contributions), and similar charges, are generally not deductible.

## Entertainment expenses

Entertainment expenses are generally not deductible. This includes the cost of business lunches, and attendance at sporting events, gala or social nights, concerts or other similar types of functions or events. This is the case even if business matters are discussed at the occasion.

## Self-education expenses

You cannot claim a deduction for self-education expenses if the study is to enable you to get employment, to obtain new employment, to open up a new income-earning activity, or related to industry placement employment (that is, employment performed as an incident of study).

You need to ensure that there is sufficient connection between these expenses and your work activities at the time the expenses were incurred.

## More information

Although there is no specific taxation ruling for information technology (IT) industry employees, the principles in [Taxation Ruling TR 95/9 Income tax: employee lawyers – allowances, reimbursements and work-related deductions](#) are applicable across many professional forms of employment, and are relevant to IT industry employees.

## What to read/do next

For information on the records you need to keep for your work-related expenses, read [Keeping your tax records](#).

The following documents contain more information about particular types of work-related expenses:

- [Work-related car expenses](#)
- [Work-related travel expenses](#)
- [Work-related clothing, laundry and dry-cleaning expenses](#)
- [Work-related self-education expenses](#)
- [Work-related expenses – decline in value](#)
- [Work-related expenses – publications](#)
- [Other work-related expenses](#).

If you are uncertain about how this information applies to your personal situation, phone us on 13 28 61.

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