

2021

Tax Time Toolkit

Aviation



Australian Government
Australian Taxation Office

Helpful occupation guides and information for tax time

We encourage you to share this information with your staff, clients, members and networks.

The following pages contain practical and tailored information to help those in the aviation industry understand what they can and can't claim in their tax return.

You'll find tips and guides as well as 'ready to use' messages you can adapt for your own communication channels.

Occupation guides:

- [Flight attendant](#)
- [Pilot](#)

Common claims:

- [Gifts and donations](#)
- [Travel expenses](#)

Ready-to-use messages:

- [Articles](#)
- [Social Media Posts](#)

If you're a flight attendant, it pays to learn what you can claim at tax time



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

Travel expenses



- ✓ **You can claim** a deduction for travel expenses if you are required to travel overnight to perform your work duties. 'Overnight' can be taken to mean a mandatory rest break after being on duty and before recommencing duty, that is of sufficient length for you to sleep (around 7 hours or more), and would usually involve you taking up accommodation for that purpose.

Travel expenses could include meals, accommodation, fares and incidental expenses that you incurred and your employer has not provided or reimbursed you.

- ✗ Receiving an allowance from your employer does not automatically entitle you to a deduction. You need to be able to show you were away overnight, you spent the money and the travel was directly related to earning your income.
- ✗ **You can't claim** expenses for travelling between your home and the place of departure.

Meal expenses



- ✓ **You can claim** a deduction for meals when you travel away from home overnight for work.
- ✓ **You can claim** a deduction for the cost of overtime meals on those occasions where:
 - you worked overtime and took an overtime meal break, and
 - your employer paid you an overtime meal allowance under an industrial law, award or agreement.
- ✗ **You can't claim** a deduction for the cost of meals eaten during a normal working day as it is a private expense, even if you receive an allowance to cover the meal expense.

Self-education expenses



- ✓ **You can claim** a deduction for self-education expenses if your course relates directly to your current job – eg updating required first aid certification.
- ✗ **You can't claim** a deduction if your study is only related in a general way or is designed to help get you a new job – eg training to become an air traffic controller while you are employed as cabin crew.

Clothing and grooming 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.
- ✗ **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 – eg plain, black shoes. However, if your employer has a strictly-enforced uniform policy that stipulates the characteristics of shoes you must wear – eg, minimum and maximum requirements for heel height and circumference – you may claim a deduction for the purchase of these shoes.
- ✗ **You can't claim** a deduction for hairdressing, cosmetics, hair and skin care products, even though you may be paid an allowance for grooming and be expected to be well groomed. All grooming products are private expenses.
- ✓ **You can claim** a deduction for the cost of rehydrating moisturisers and rehydrating hair conditioners used to combat the abnormal drying of skin and hair when working in the pressurised environment of an aircraft.

Other common deductible work-related expenses



Other expenses you can claim a deduction for include:

- luggage and bags used for work-related purposes
- the work-related portion of phone expenses if you have to make phone calls or send texts for work
- union and professional association fees
- professional publications
- visa application fees when you are required to enter a country as part of your job.



This is a general summary only.
For more information, go to ato.gov.au/occupations



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If you're a pilot it pays to learn what you can claim



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

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, from your job as a pilot to your second job as a cadet trainer
 - to and from an alternate workplace for the same employer on the same day – for example, from the airport to the airline training centre.

- ✗ **You can't claim** trips or tolls between home and work, even if you live a long way from the airport or you are on-call and you are called in to work a shift.

In limited circumstances **you can claim** the cost of trips between home and the airport, when you carry bulky tools or equipment for work. Items carried in luggage are generally private in nature and other essential items, such as flight manuals (whether electronic or hard copy), are not considered bulky on their own.

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.

Meal expenses



- ✓ If you receive an overtime meal allowance under an industrial law, award or agreement and it's included in your assessable income, **you can claim** the cost of the meal that you buy and eat when you work overtime.
- ✗ **You can't claim** the cost of food, drinks or snacks consumed during your shift if you do not travel away from home overnight, even if you receive an allowance to cover the meal expense. This is a private expense.

Self-education expenses



- ✓ **You can claim** a deduction for self-education and study expenses if they directly relate to your current job as a pilot 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 get you a new job – for example, if you are a cadet training to become a pilot.
- ✗ **You can't claim** a deduction if the course and related expenses are paid by your employer.

Travel expenses



- ✓ **You can claim** travel expenses if you're required to travel away from your home overnight in the course of performing your work duties. 'Overnight' could include a mandatory rest break after being on duty and before recommencing duty, that is of sufficient length for you to sleep (around seven hours or more), and would usually involve you taking up accommodation for that purpose.

Travel expenses can include meals, accommodation, fares and incidental expenses that you incur and your employer has not provided or reimbursed you for.

Receiving an allowance from your employer doesn't automatically mean you can claim a deduction. You need to be able to show you were away overnight, you spent the money yourself, and the travel was directly related to earning your income.

- ✗ **You can't claim** expenses for travelling between your home and your usual sign-on point. For example, if you live in Melbourne and your usual sign-on point is Newcastle, you can't claim the travel, accommodation or meals between Melbourne and Newcastle.

Clothing expenses and laundry



- ✓ **You can claim** the cost of buying, hiring, repairing, replacing or cleaning certain uniforms that are unique and distinctive to your job.
- ✗ **You can't claim** the cost of buying or cleaning conventional or plain clothing worn at work, even if your employer tells you to wear it – for example, conventional clothing bought deliberately to look like a passenger when paxing and business wear. These are private expenses.

Other expenses



- ✓ **You can claim** the work-related portion of other expenses if they relate to your employment, including:
 - aviation medical appointments and examinations required by the Civil Aviation Safety Authority
 - anti-glare glasses, if used to counter glare and protect against illness or injury
 - rehydrating moisturisers and rehydrating hair conditioners
 - the decline in value of luggage used for work purposes
 - union and professional association fees
 - visa applications and fees when you are required to enter a country as part of your job
 - phone and internet costs, apportioned for private and work use, with records showing a detailed usage pattern.
- ✗ **You generally can't claim:**
 - tools and equipment provided by your employer (such as laptops or tablets)
 - gaming consoles or flight simulator games
 - watches, including chronograph watches
 - sunscreen (depending on the type of aircraft and the level of sun protection it has)
 - mobile phone holders for the aircraft.
- ✗ **You can't claim** a deduction if the cost was met or reimbursed by your employer.

This is a general summary only.
For more information, visit ato.gov.au/occupations
or speak to a registered tax professional.



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Gifts and donations

It pays to learn what you can claim at tax time



When can I claim?

- ✔ **You can claim** a deduction for a donation you make to an organisation if the donation meets four conditions:
 - you make it to a deductible gift recipient (DGR)
 - it must truly be a donation. A donation is a voluntary transfer of money or property where you receive no material benefit or advantage
 - it must be money or property, which includes financial assets such as shares
 - you have a record of the donation such as a receipt.

If you receive a material benefit – that is if the donor receives something which has a monetary value from the DGR in return for their donation – it is considered a contribution, and [extra conditions](#) apply.

? What is a DGR?

A deductible gift recipient (DGR) is an organisation or fund that can receive tax deductible gifts.

Not all charities are DGRs. For example, in recent times there has been an influx of crowdfunding campaigns. Many of these crowdfunding websites are not run by DGRs so donations to them can't be claimed.

You can check whether your donation was made to an endorsed DGR on the [Australian Business Register](#) website.

📄 What records do I need?

You should keep records of all tax-deductible gifts and contributions you make.

When you make a donation, the DGR will usually issue you with a receipt – but they don't have to. If this is the case, in some circumstances, you can still claim a tax deduction by using other records, such as bank statements.

If a DGR issues a receipt for a deductible gift, the receipt must state:

- the name of the fund, authority or institution to which the donation has been made
- the DGR's ABN (if one exists – some DGRs listed by name might not have an ABN)
- that the receipt is for a gift.

If you give through a workplace giving program your income statement or a written record from your employer is sufficient evidence.



Bucket donations

If you made one or more donations of \$2 or more to bucket collections conducted by an approved organisation for natural disaster victims, you can claim a tax deduction of up to \$10 for the total of those contributions without a receipt.

? When I can and can't claim a deduction

You may be able to claim gifts or donations as a deduction when:

- the gift or donation is \$2 or more and you have a record of the donation
- you donate property or shares, however [special rules](#) apply
- there are special circumstances under the [Heritage](#) and [Cultural gift](#) programs where donations can also be deductible
- you receive a token item for your donation. Token items are things of no purpose that are used to promote a DGR, such as lapel pins, wristbands and stickers.

✘ **You can't claim** gifts or donations as a deduction when they provide you with a personal benefit, such as:

- the purchase of raffle or art union tickets such as an RSL Art Union Prize home
- the purchase of fundraising items that have an advertised price and can be

used, such as chocolates, mugs, keyrings, caps or toys

- club membership
- the cost of attending fundraising dinners, even if the cost exceeds the value of the dinner
- payments to school building funds made in return for a benefit or advantage, for example, as an alternative to an increase in school fees or as a placement on a waiting list
- gifts to families and friends regardless of the reason
- donations made under a salary sacrifice arrangement
- donations made under a will.

✘ **You can't claim** a tax deduction for donations made to social media, crowdfunding platforms or memberships (such as sporting club memberships) unless they are a registered DGR.

🗳️ Gifts and donations to political parties and independent candidates and members

In some circumstances, your gifts and donations to registered political parties and independent candidates may be claimed as a deduction.

Your gift or donation must be \$2 or more and be money or property that you purchased during the 12 months before making the donation. This includes if you pay a membership subscription to a registered political party. You must also make the gift or donation as an individual, not in the course of carrying on a business, and it can't be a testamentary donation.

The most you can claim in an income year is:

- \$1,500 for contributions and gifts to political parties
- \$1,500 for contributions and gifts to independent candidates and members.

To claim a deduction you must keep a written record of your donation.

To find out who is registered, go to: [Claiming political contributions and gifts](#)

This is a general summary only

For more information, go to ato.gov.au/gifts-and-donations or speak to a registered tax professional.



Travel expenses

What you need to know before you go



To claim a deduction for work-related expenses:

- ✔ **You must have** spent the money yourself and weren't reimbursed
- ✔ **It must directly relate** to earning your income
- ✔ **You must have** a record to prove it*.

* Use the [myDeductions](#) tool in the **ATO app** to keep a record of your expenses throughout the year.



Travel expenses include:

- ✔ **Transport expenses** are deductible when you travel in the course of performing your duties. This includes the cost of driving your car, flying, catching a train, taxi or bus.
- ✔ **Accommodation, meals and incidental expenses** are deductible when you travel in the course of performing your duties **and** sleep away from home overnight.

Things to remember

You need to keep receipts – or other written evidence – for your travel expenses. There are some exceptions for expenses on accommodation, meals and incidental expenses.

You need to apportion your expenses if they are partly private in nature. If you travel on a work trip, you may not be required to apportion your costs where there is a minor private component that is merely incidental to the work.

If you travel away from home for six or more nights in a row, you need to keep travel records – such as a travel diary. This is in addition to keeping receipts for your expenses.

Receiving a travel allowance from your employer does not automatically entitle you to a deduction.

If any travel expenses are reimbursed, you cannot claim a deduction for them.

- ✘ **You can't claim** for normal trips between home and work even if you live a long way from where you work– this is private travel.
- ✘ **You can't claim** accommodation, meals and incidental expenses you incur in the course of relocating or living away from home.

Examples of when you need to apportion your expenses



Example 1

You take your partner or children away with you when you travel for work. You cannot claim the cost of any travel expenses you incur for them. For example, you pay for a two-bedroom apartment to accommodate your children, but you can only claim a deduction for the cost you would have incurred on a one-bedroom apartment had you travelled alone.



Example 2

You fly to Perth for a seven-day work conference and add on a return trip to Broome for four days. You can only claim:

- your flights to and from Perth
- the accommodation, meals and incidental expenses that you incurred during the seven days of work-related travel.



Example 3

You are in the process of booking a holiday to Sydney to see an art exhibition when your employer asks if you'd like to attend a three-day work-related conference in Sydney. Coincidentally, this is to be held from the Monday following your planned holiday. You change your travel arrangements to include the additional time in Sydney.

In total, you spend three days in Sydney for private purposes followed by three days at the conference. You apportion your flights for the private component of your trip (50%) and only claim the accommodation, meals and incidental expenses you incur during the three days of work-related travel.



Example 4

You fly to London for a 10-day international, work-related conference. You stay over for an extra two days to do some sightseeing. You cannot claim the cost of accommodation and meals for your two days of private travel. But the private component of the trip is merely incidental, so you can claim the full cost of your airfares.



Example 5

You are holidaying in Cairns when you become aware of a work-related seminar which runs for half a day. You can claim the cost of attending the seminar, but you cannot claim your airfares to and from Cairns, or accommodation whilst in Cairns, as the primary purpose of the travel is private.

Record keeping exception for accommodation, meals and incidental expenses

You must always keep records of your expenses; however, you don't have to keep all your receipts if:

- ✔ you received an allowance from your employer for the expenses
- ✔ your deduction is less than the Commissioner's reasonable amount (the amount considered reasonable for the substantiation exception). To find this year's amount, visit our [legal database](#) or 'ask Alex' on ato.gov.au.

If you claim a deduction for more than the Commissioner's reasonable amount you need to keep receipts for all expenses, not just for the amount over the Commissioner's reasonable amount.

Even if you are not required to keep receipts, you must be able to explain your claim and show you spent the amounts. For example, show your work diary, bank statements, the travel allowance you received and that you correctly declared your travel allowance.

Travel diary

A travel diary is a record of your travel movements and activities you undertake during your travel. It will help you work out the work-related and private elements of your trip.

If you travel away from home for six or more nights in a row, you need to keep a travel diary except in the following circumstances:

- ✔ you travel within Australia and meet the requirements for the record keeping exception, or
- ✔ you are a crew member on an international flight and you claim a deduction for less than the allowance you received.

You should record your travel movements and activities in whatever diary/journal you use. It can be paper or electronic. It must be in English.

You must record your travel movements and activities before they end, or as soon as possible afterwards, including:

- ✔ where you were
- ✔ what you were doing
- ✔ the start and end times for the activities started and ended.

Example of a travel diary

<p>9 Monday</p> <ul style="list-style-type: none"> - 6am travel to Wangaratta. - Arrive 9am. - 9.30am to 5.30pm sales conference Wangaratta. - Overnight conference centre. 	<p>10 Tuesday</p> <ul style="list-style-type: none"> - 9.30am to 5.30pm sales conference Wangaratta. - Overnight conference centre. 	<p>11 Wednesday</p> <ul style="list-style-type: none"> - 9.30am to 5.30pm sales conference Wangaratta. - Overnight conference centre. 	<p>12 Thursday</p> <ul style="list-style-type: none"> - 8am travel to Shepparton. - Arrive 9.15am. - 10am meet Mr Smith for display meeting. - 1pm to 5pm Shepparton store review. - Overnight Shepparton hotel.
<p>13 Friday</p> <ul style="list-style-type: none"> - 6am travel to Echuca. - Arrive 7am. - 8am to 12noon Echuca store review. - 12.30pm to 12.45pm drive to Moama store. - 1pm to 5pm Moama store review. - Overnight Moama hotel. 	<p>14 Saturday</p> <ul style="list-style-type: none"> - 7am travel to Bendigo. - Arrive 8.30am. - 9am to 6pm State Rep meeting. - 6pm Dinner with State Reps. - Overnight Bendigo Motor Inn. 	<p>15 Sunday</p> <ul style="list-style-type: none"> - 8am State Rep breakfast conference. - Finish 10am. - 10am travel home to Melbourne. - Arrive 12.30pm. 	

If you travel by car when you are required to sleep away from home overnight in the course of performing your duties, the journeys in your car will have to be recorded separately.

The way in which they should be recorded will depend on what method you are using to calculate your [car expenses](#).

This is a general summary only

For more information, go to ato.gov.au/travelexpenses or speak to a registered tax professional.

Ready-to-use Tax Time messages

Below are a range of messages you can use (or adapt) for your own communication channels, such as websites, intranets, newsletters and social media platforms.

Article

Headline: Supporting you this tax time

It's tax time again and the ATO wants to help you get your clothing and laundry claims right.

With a few exceptions, clothing is a private expense. Conventional clothing (including footwear) can't be deducted as a work-related expense, even if your employer requires you to wear it and you only wear these items of clothing at work.

You can claim a deduction for costs you incur to buy, hire, repair or replace clothing, uniforms and footwear you wear at work if it's:

- protective clothing you wear to protect yourself from specific risks of injury or illness at work. The clothing must have protective features or functions (for example, steel-capped boots for airside operators or aircraft engineers).
- occupation specific clothing that distinctly identifies you as a person associated with a particular profession, trade or occupation
- a compulsory uniform which must be sufficiently distinctive to your organisation so that a casual observer can clearly identify you as working for a particular employer, or identify the products or services provided by your employer. To be considered compulsory, you must be expressly required to wear it by a workplace agreement or policy, which is strictly and consistently enforced.
- a non-compulsory uniform you wear to work that is listed on the Register of Approved Occupational Clothing with AusIndustry (check with your employer if you're not sure).

You can claim a deduction for the cost of washing, drying and ironing any of the above types of clothing and uniforms. This also includes laundromat and dry-cleaning expenses. If your laundry claim (excluding dry-cleaning expenses) is \$150 or less, you don't need to keep records but you still need to calculate and be able to show how you worked out your claim. This isn't an automatic deduction.

Example

Jackson is a pilot for a large commercial airline. His employer provides him with a uniform. Jackson is required to wear a uniform consisting of a white button-up shirt, black jacket and black pants. All items are embroidered with his employer's logo.

Jackson can't claim a deduction for the cost of purchasing his embroidered shirts, jacket or pants as these are provided by his employer. If Jackson had to pay for the uniform himself and was not reimbursed, he could claim a deduction for the cost of these items.

Jackson is responsible for laundering the uniforms supplied by his employer, therefore he can claim a deduction for the laundry expenses he has incurred.

Example

Erika is a flight attendant employed by ABC Airlines. ABC Airlines requires flight attendants to purchase their shirts (which have their logo embroidered) through the airline but they can wear any type of black skirt or trousers. ABC Airlines' uniform policy sets out that it is compulsory for Erika to wear a particular brand of black leather court shoes with a two-centimetre heel. Erika doesn't wear these shoes outside of work and failure by Erika to comply with the

Ready-to-use Tax Time messages

airline's uniform directive and orders of dress will result in disciplinary action.

Erika can claim the cost of the ABC Airlines logo-embroidered shirt and the black leather court shoes, but not the black skirt or trousers. The ABC Airlines shirt is a unique and distinctive part of the uniform that she purchased herself. The black leather court shoes also form an integral part of her compulsory uniform, as specified in the ABC Airline guidelines.

However, her black skirt or trousers are not claimable as they are not unique or distinctive to ABC Airlines even though they form part of the uniform.

Erika can also claim the cost of laundering her ABC Airlines shirt.

Tips and tricks

- A reasonable basis for calculating your laundry claim is:
 - \$1 per load if the load is just made up of only work-related clothing, or
 - 50c per load if other laundry items are included.
- Repair and dry-cleaning expenses are based on the actual cost you incurred for those services.
- Use the myDeductions tool in the ATO app to help keep track of your work-related expenses. You can upload your expenses to pre-fill your myTax return or email it straight to your registered tax agent. Download the app today at ato.gov.au/app

For more information, speak with your tax agent or visit ato.gov.au/clothing21

Ready-to-use Tax Time messages

Suggested social media posts for Facebook, Twitter and LinkedIn profiles

Not sure what deductions you can claim in your tax return? The ATO can help.

Check out the ATO's tailored industry guides at:

- ato.gov.au/flight21 for flight crew employees
- ato.gov.au/pilot21 for pilots

Attention flight crew and pilots! Here are some tips on the deductions you may be able to claim this tax time:

- You can claim a deduction for accommodation, meals and incidentals that you incur when you travel and sleep away from home overnight for work.
- You can claim a deduction for the cost of rehydrating moisturisers used to combat the abnormal drying of skin due to an aircraft's pressurised environment.
- You can claim a deduction for visa application fees when you're required to enter a country as part of your job.
- You can claim a deduction for the cost of buying, hiring, repairing or cleaning compulsory uniforms.
- You can't claim a deduction for hairdressing, cosmetics or hair products, even if you're expected to be well groomed. Grooming expenses and products are private expenses.
- You can't claim expenses for travel between your home and the place of departure.

Find out more at ato.gov.au/occupation21

Attention pilots and flight crew! To make tax time stress free, check out the ATO's industry specific guides at ato.gov.au/occupation21

The ATO is here to provide support during tax time. Visit the ATO's industry specific guides at ato.gov.au/occupation21