

If you're an employee in the agriculture industry 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.

Vehicle 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 first job as a fruit picker directly to your second job to test soil for crop research
 - to and from an alternate workplace for the same employer on the same day – for example, travelling between cane fields for your employer.
- If you claim car expenses, you can use the logbook method or the cents per kilometre method to calculate your work-related claim.
- If your vehicle has a carrying capacity of one tonne or more, such as a ute or panel van, **you can't** use the cents per kilometre method to calculate your claim. **You can claim** the actual expenses based on the work-related use of your vehicle. The easiest way to demonstrate this is by keeping a logbook. **You can claim** the work-related percentage of the decline in value and running costs, such as fuel, oil, insurance and loan interest but you must keep your receipts and records that show your work-related travel.
- ✗ **You can't claim** the cost of trips between home and work under any of the methods, 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.
 - ✓ **You can claim** the decline in value and running costs of all-terrain vehicles (ATV), such as a quad bike, where you're required to cover large distances of land that is not accessible by car. You can only claim the decline in value for an ATV if you paid for the vehicle yourself and you were not reimbursed 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 employment duties – for example, carting cattle long distances between farms. Travel expenses can include meals, accommodation, fares and incidental expenses you incur when travelling for work.
 - ✗ **You can't claim** a deduction if the travel is paid for, or you are reimbursed by your employer or another person.
- Receiving a travel allowance from your employer doesn't automatically mean you can claim 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 employment income.

Clothing, footwear and laundry expenses



- ✗ **You can't claim** the cost of buying or cleaning conventional clothing worn at work – for example, footy shorts, track pants, jeans or jackets, even if you only wear it to work and your employer tells you to wear it.
- ✓ **You can claim** the cost of buying, cleaning or repairing:
 - compulsory uniforms that are unique and distinctive and identify you as working for a particular employer
 - non-compulsory uniforms that are registered with AusIndustry (check with your employer if you're not sure).
- ✓ **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, a cattle farmer can claim gloves and steel-capped boots. The cost of repairing, replacing or cleaning protective clothing and footwear can also be claimed.
- ✗ **You can't claim** a deduction if your employer pays for or reimburses you for these expenses.

Licences, permits and cards



- ✗ **You can't claim** your driver's licence or motor bike licence.
- ✗ **You can't claim** the initial cost of getting a special licence, condition on your licence or certificate in order to gain employment – for example, a heavy vehicle permit, firearm or forklift licence.
- ✓ **You can claim** the additional costs to renew a special licence, condition on your licence or certificate in order to perform your work duties. For example, if you need to have a forklift licence to get your job, you can't claim the initial cost of obtaining it, however you can claim the cost of renewing it during the period you are working.

Other expenses



- ✓ **You can claim** the work-related portion of other expenses if they relate to your employment, including:
 - the decline in value and maintenance of guns, firearms and ammunition
 - working dog and working horse expenses, such as food, vet bills, miscellaneous items like the decline in value of a saddle
 - hats and sunscreen
 - tools and equipment as well as repairs, such as a chainsaw or fencing tools
 - union and professional association fees
 - phone and internet costs, apportioned for private and work use, with records showing a detailed usage pattern
 - technical or professional publications.
- ✗ **You can't claim** a deduction if the cost was met or reimbursed by your employer. You also can't claim private expenses, such as music subscriptions or childcare.

This information is for **employees** who work in agriculture. It doesn't apply to hobby farmers.

If the drought is causing you financial difficulties, phone us on **1800 806 218** and we can help you manage your tax.

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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