



# What can you claim if you're a Factory Worker

**SOURCE: AUSTRALIAN TAXATION OFFICE**

With work-related expense claims high on the ATO radar, the Australian Taxation Office is stepping up to help and provide advice for taxpayers who aren't quite sure what they can and cannot claim.

The ATO have already flagged that over-claiming of deductions is a big issue. The ATO wants tax payers to get right what they claim as tax deductions.

We understand tax time can be tricky and taxpayers often ask whether we have advice about what they can and cannot claim based on their job. The good news is that we do. The most popular topics include car, clothing, travel, working from home and self-education expenses.

Getting the right information before you lodge your income tax return is helping

our clients to get their claims right and avoid issues later on.

We want every person to have the information they need to know whether they can make a claim, to get it right, and know what records they need to keep. Understanding what you can and cannot claim will help ensure that your income tax return is processed quickly and any refund is paid as soon as possible. Most people want to lodge their income tax return with the right information and helping people to do that in the first place is the most efficient way to operate.

Our objective is to educate you; this is just part of the process.

### **What you can and can't claim**

Each occupation has specific circumstances which affect what can and cannot be claimed. Here are some snippets from some ATO occupation guides. Remember, regardless of the occupation you are in, you can only claim the work-related part of expenses, and you must meet the three golden rules:

- You must have spent the money yourself and not been reimbursed;
- The claim must be directly related to earning your income; and
- You need a record to prove it.

### **Factory Worker employees: work-related expenses**

Common deductions include the following:

- You can claim the cost of using a car you own when you drive:
    - between separate jobs on the same day – for example, driving from your job as a factory worker to your second job as a bar assistant
    - to and from an alternate workplace for the same employer on the same day – for example, driving from the warehouse to a job site
  - You can claim:
    - the tools and equipment you use for work, such as an air compressor, drill or hammer
    - tool insurance
    - the cost of repairs to your tools and equipment.
- If a tool or equipment costs:
- more than \$300 – you can claim a deduction for the cost over a number of years (decline in value)
  - \$300 or less – you can claim an immediate deduction for the whole cost.
- You can claim the cost of buying, hiring, repairing, replacing or cleaning uniforms

- that are unique and distinctive to your job – for example, a shirt with the corporate logo on it worn as a compulsory uniform.
- You can claim clothing and footwear 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 steel-cap boots.
  - 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 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 heavy vehicle permit 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.
  - You can claim the work-related portion of other expenses if they relate to your employment, including:
    - union and professional association fees
    - phone and internet costs, apportioned for private and work use, with records showing a detailed usage pattern
    - seminars, training and conferences
    - technical or professional publications.

However, you usually cannot claim home to work travel, and you cannot claim clothes or shoes that are not uniform or are not designed to provide you with sufficient protection from the risk of injury at your worksite, even if the item is called 'workwear' or 'tradie wear' by the supplier.

**Footnote: Please note that the information here is a general overview. Taxation is a complicated matter and you should seek specific advice from a qualified and experienced professional suited to your circumstances.**