



Australian Defence Force members

Australian Defence Force (ADF) members guide to income, allowances and claiming deductions for work-related expenses.

29 May 2015

Other work-related expenses

Did you have other expenses relating to your work as an employee?

Here is a list of other expenses commonly incurred by Australian Defence Force (ADF) members. For more information about the deductibility of these expenses, see [question D5 in *Individual tax return instructions*](#).

You cannot claim costs met by your employer or costs that are reimbursed, see [Reimbursements](#).

Answering machines, mobile phones, pagers and other telecommunications equipment

For information about claiming deductions for the decline in value of answering machines, mobile phones, pagers and other telecommunications equipment, see [Capital allowances](#).

Capital allowances

You can claim a deduction, called a capital allowance, for the decline in value of equipment used for work. If the equipment is also used for private purposes, you cannot claim a deduction for that part of the decline in value.

You cannot claim a deduction if the equipment is supplied by your employer or any other person.

Generally, the amount of your deduction depends on the effective life of the equipment.

Equipment costing \$300 or less

If you purchased equipment costing \$300 or less and you use it mainly for work, you can claim an immediate deduction for the work-related portion of the cost.

You cannot claim an immediate deduction if:

- the equipment is part of a set that you buy in the same income year and the total cost of the set is more than \$300 (the set rule), or
- the equipment is one of a number of identical or substantially identical items you buy in an income year and the total cost of the items is more than \$300 (the multiples rule).

Low-value pool

You also have the option to pool equipment costing less than \$1,000 and equipment written down to less than \$1,000 under the diminishing value method. You work out a deduction for the decline in value of equipment in this low-value pool by a single calculation using set rates.

For more information on claiming a deduction for a low-value pool, see **question D6** in *Individual tax return instructions* and make your claim at item **D6** on your tax return.

Equipment for which you may be able to claim a capital allowance includes:

- computers and computer software
- telephones, answering machines, facsimile machines, mobile phones, pagers and other telecommunications equipment
- a professional library
- tools and equipment
- watches with special characteristics, for example, stopwatches but not ordinary wristwatches.

For more information about claiming deductions for the decline in value of equipment, see the **Guide to depreciating assets 2015**.

Child care

You cannot claim a deduction for child care expenses. These are private expenses even if you need to pay for child care to go to work.

Computers and software

For information about claiming deductions for the decline in value of computers and software, see [Capital allowances](#).

Driver licence

You cannot claim a deduction for the cost of getting or renewing your driver licence as it is a private expense.

Extra regimental duties (ERD)

You can claim a deduction for these costs if the ERD forms part of your income-earning activities and it is not a private or domestic expense.

Fines

You cannot claim a deduction for fines imposed:

- under a law of the Commonwealth, a state, a territory, a foreign country, or
- by a court (for example, a fine you received for speeding when driving between jobs).

First aid courses

You can claim a deduction for the cost of first aid training courses if you, as a designated first aid person, are required to undertake first aid training to assist in emergency work situations.

Fitness



Tools and equipment



Fitness

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You can claim a deduction for the cost of fitness expenses only if you are required to maintain a very high level of fitness, well above the ADF general standard, and you earn your ADF income by performing a range of duties designed to keep you physically prepared. This applies to physical training instructors and respective members of the Australian Special Forces. If there is a private component to the expenses, you cannot claim a deduction for that part of the expenses.

Glasses and contact lenses

You cannot claim a deduction for the cost of buying prescription glasses or contact lenses as it is a private expense relating to a personal medical condition. You may claim the cost of protective sunglasses if you are required to work outdoors and as a result are exposed to risk of eye damage from sunlight, see [Sunglasses, sunhats and sunscreens](#).

Grooming including cosmetics, hair and skin care products

You cannot claim a deduction for hairdressing, cosmetics, hair and skin care products as they are private expenses.

Haircuts

You cannot claim a deduction for the cost of haircuts as it is a private expense.

Home office

Private study

You can claim a deduction for the additional running expenses of an office or a study at home that you use for income-producing activities. Running expenses include decline in value of home office equipment, the costs of repairs to your home office furniture and fittings, and heating, cooling, lighting and cleaning expenses. You cannot claim

occupancy expenses (for example, rent, rates, mortgage interest and house insurance premiums) unless you are carrying on a business. If your only income is paid to you as an employee, you are not considered to be carrying on a business.

Diary records noting the time the home office was used for work are acceptable evidence of a connection between the use of a home office and your work. You will need to keep diary records during a representative four-week period. For more information on what records you should keep and the calculation of home office expenses, see [Law Administration Practice Statement PS LA 2001/6 – Home office expenses: diaries of use and calculation of home office expenses](#).

Place of business

You can claim a deduction for part of the running and occupancy expenses of your home if you use an area of your home as a place of business. For information on whether or not an area set aside has the character of a place of business, see [Taxation Ruling TR 93/30 – Income tax: deductions for home office expenses](#).

There may also be capital gains tax implications if you sell your home and it has been used as a place of business.

Work it out

[Home office expenses calculator](#)

Insurance of tools and equipment

You can claim a deduction for the cost of insuring the equipment you use to the extent that you use it for work.

Interest costs

You can claim the cost of interest on money borrowed to purchase work-related equipment. If the equipment was also used for private purposes, you cannot claim a deduction for that part of the interest.

Meals

You cannot 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.

Mess functions

You cannot claim deductions for the costs of attending mess functions or social functions as they are private expenses.

Mess subscriptions

You can claim a deduction only for the parts of your compulsory mess subscriptions that are work related. You cannot claim a deduction for amounts paid for food, drink or entertainment.

Newspapers

You cannot claim a deduction for the cost of newspapers as it is a private expense.

Professional library

For information about claiming deductions for the decline in value of a professional library used for work, see [Capital allowances](#).

Removal and relocation

You cannot claim a deduction for the cost involved in taking up a transfer in an existing employment or taking up new employment with a different employer.

Repairs

You can claim a deduction for the cost of repairing tools and equipment for work.

If the tools or equipment were also used for private purposes, you cannot claim a deduction for that part of the repair cost.

Rifles, ammunition and cleaning equipment

These items are normally supplied and replaced by the ADF. However, you can claim a deduction for the decline in value of rifles used for work if you incurred the expenditure, see [Capital allowances](#). You can claim the costs of ammunition and cleaning equipment you purchased for work.

Seminars, conferences and training courses

You can claim a deduction for the cost of attending seminars, conferences and training courses that are sufficiently connected to your work activities.

Sunglasses, sunhats and sunscreens

You can claim a deduction for the cost of sunglasses, sunhats and sunscreen lotions if the nature of your work requires you to work in the sun for all or part of the day and you use these items to protect yourself from the sun while at work.

Technical or professional publications

You can claim a deduction for the cost of journals, periodicals and magazines that have a content sufficiently connected to your employment as an ADF member.

Telephone calls, telephone rental and connection costs

You can claim a deduction for the cost of work-related telephone calls.

You can claim a deduction for your telephone rental if you can show that you are on call or are regularly required to telephone your employer while you are away from your workplace. If you also use your telephone for private purposes, you must apportion the cost of telephone rental between work-related and private use.

You cannot claim a deduction for the cost of connecting a telephone, mobile phone, pager or any other telecommunications equipment as it is a capital expense.

You cannot claim a deduction for the cost of an unlisted telephone number (silent number) as it is a private expense.

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Tools and equipment

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For information about claiming deductions for the decline in value of tools and equipment used for work, see [Capital allowances](#).

You can claim a deduction for the cost of repairing tools and equipment for work.

If the tools or equipment were also used for private purposes, you cannot claim a deduction for that part of the repair cost.

Watches with special characteristics

For information about claiming deductions for the decline in value of watches with special characteristics that you use for work, such as stopwatches, see [Capital allowances](#).

Weight loss expenses

You cannot claim a deduction for this cost as it is a private expense.

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