




Mining site employees – income and work-related deductions

Mining site employees guide to income, allowances and claiming deductions for work-related expenses.

Last updated 9 May 2025

For a summary of common expenses, see [Mining site employees \(PDF, 429KB\)](#) .

Income and allowances

Income and allowance amounts you need to include in your tax return and amounts you don't include.

Deductions for work expenses

Deductions you can and can't claim for expenses you incur to earn your income.

Record keeping for work expenses

Records you need to keep as evidence of your expenses and exceptions to keeping some records.

Income and allowances

Income and allowance amounts you need to include in your tax return and amounts you don't include.

Last updated 9 May 2025

On this page

[Amounts you do and don't include](#)

[Allowances](#)

[Reimbursements](#)

Amounts you do and don't include

You must include all the income you receive during the income year as a mining site employee in your tax return, this includes:

- salary and wages, including cash or bonus payments
- allowances
- compensation and insurance payments – for example, payments made under an income protection insurance policy to replace salary and wages.

Don't include as income any [reimbursements](#) you receive.

Your income statement or payment summary will show all your salary, wages and allowances for the income year.

Allowances

You must include all **allowances** your employer reports on your income statement or payment summary as income in your tax return.

An allowance is where your employer pays you an amount as an estimate of costs you might incur:

- to help you pay for a work expense – for example, tool allowance

- as compensation for an aspect of your work such as working conditions or industry peculiarities – for example, underground allowance
- as an amount for having special duties, skills or qualifications – for example, first aid qualifications.

Your employer may not include some allowances on your income statement or payment summary. Find out about declaring income and claiming deductions for [Allowances not on your income statement](#).

Allowances not on your income statement or payment summary

If you receive an allowance from your employer, it does not automatically mean you can claim a deduction.

Your employer may not include some allowances on your income statement or payment summary, you will find these amounts on your payslip. You don't need to declare these allowances as income in your tax return, unless you're claiming a deduction. Examples include travel allowances and overtime meal allowances.

If you spend the allowance amount on work expenses, you:

- don't include it as income in your tax return
- can't claim any deductions for the work expenses the allowance covers.

If you're not claiming a deduction, you don't need to keep any records of the amounts you spend.

If you spend your allowance on a deductible work-related expense, to claim a deduction you:

- include the allowance as income in your tax return
- include a claim for the work expenses you incur in your tax return
- must have records of your expenses.

If you can claim a deduction, the amount of the deduction is not usually the same amount as the allowance you receive.

Allowances and claiming a deduction

The following table sets out allowances you may receive and when you can claim a deduction.

Allowance types, reason for the allowances and if you can claim a deduction

Reason for allowance	Example of allowance type	Deduction (Yes or No)
Compensation for an aspect of your work that is unpleasant, special or dangerous, or for industry peculiarities	Industry allowance Underground allowance	No These allowances don't help you pay for deductible work-related expenses
An amount for certain expenses	Tool allowance	Yes If you incur deductible expenses
An amount for special skills	A first aid certificate	Yes If you incur deductible expenses

Example: allowance assessable, no deduction allowable

Joe is a leading hand on a mine site. For each week he is a leading hand, his employer pays him an allowance.

At the end of the income year, the allowance is shown on Joe's income statement.

Joe must declare the leading hand allowance as income in his tax return.

Joe can't claim a deduction because he doesn't incur any deductible expenses. The allowance compensates him for his

special duties. It's not to help pay for any work-related expenses that Joe may incur.

Example: allowance assessable, deduction allowable

Wei-Li is an electrician on a mine site. Wei-Li's employer doesn't supply her with the tools she requires to carry out her duties. Instead, they pay her a weekly allowance of \$16 which is shown on her income statement at the end of the income year.

During the income year, Wei-Li buys some hand tools which she uses only for carrying out her employment duties. The hand tools cost of \$243.

Wei-Li must declare the total allowance of \$832 ($\$16 \times 52 \text{ weeks} = \832) as income in her tax return. She can also claim a deduction of \$243 for the hand tools. .

Reimbursements

If your employer pays you the exact amount for expenses you incur (either before or after you incur them), the payment is a **reimbursement**.

A reimbursement is not an allowance.

If your employer reimburses you for expenses you incur:

- you don't include the reimbursement as income in your tax return
- you can't claim a deduction for them.

Find out about mining site employees:

- Deductions for work expenses
- Record keeping for work expenses

Deductions for work expenses

Deductions you can and can't claim for expenses you incur to earn your income.

Last updated 9 May 2025

For a summary of common expenses, see [Mining site employees \(PDF, 429KB\)](#) [📄](#).

To claim a deduction for a work-related expense you must meet the 3 golden rules:

1. You must have spent the money and you weren't reimbursed.
2. The expense must directly relate to earning your income.
3. You must have a record to prove it (usually a receipt).

If the expense was incurred for both work and private purposes, you only claim a deduction for the work-related use.

You can't claim a deduction if:

- you don't keep records of your work-related expenses
- someone else (such as an employer) pays for the expense or reimburses you for it.

Find out which expenses you can and can't claim as a mining site employee.

- Mining site employee expenses A–F
- Mining site employee expenses G–O
- Mining site employee expenses P–S
- Mining site employee expenses T–W

To help you work out if you can or can't claim a deduction for other expenses, and the records you need, see [Employees guide for work expenses](#).

You can use the **myDeductions** tool in the ATO app to store records and help keep track of your:

- work-related expenses (such as vehicle trips)
- general expenses (such as gifts and donations).

You can upload these records or share them with a registered tax agent at tax time to make lodging your tax return easier.

We have information in languages other than English. A summary of common work-related expenses may be available in your language:

1. Select your language from the **other languages'** homepage.
2. Select the heading **Individuals**.
3. Check the list to see if a summary is available.

Mining site employee expenses A–F



Details on claiming common mining site employee expenses.

Mining site employee expenses G–O



Details on claiming common mining site employee expenses.

Mining site employee expenses P–S



Details on claiming common mining site employee expenses.

Mining site employee expenses T–W



Details on claiming common mining site employee expenses.

Mining site employee expenses A–F

Details on claiming common mining site employee expenses.

Last updated 9 May 2025

On this page

[Car expenses](#)

[Child care](#)

[Clothing and uniform expenses \(including footwear\)](#)

[Drivers licence](#)

[Fines and penalties](#)

[First aid courses](#)

[Fitness expenses](#)

Car expenses

You can't claim a car expenses deduction for normal trips between your home and regular place of work. These are private expenses, even if you:

- live a long way from your usual or regular workplace
- have to work outside normal business hours (for example, weekend or early morning shifts).

In limited circumstances, you can claim the cost of trips between home and work, such as where you carry bulky tools or equipment for work or where you had shifting places of employment.

To be able to claim a deduction for the cost of **trips between home and work** while carrying bulky tools or equipment, all the following conditions must be met:

- the tools or equipment are essential to perform your employment duties

- the tools or equipment are bulky, meaning that
 - because of the size and weight, they are awkward to transport
 - they can only be transported conveniently using a motor vehicle
- there is no secure storage for such items at the workplace.

It will not be sufficient if you transport the tools or equipment merely as a matter of choice. For example, if your employer provides secure storage, your decision to transport items home will be a matter of choice.

You are considered to have shifting places of employment where you have no fixed place of work and you continually travel from one work site to another before returning home.

You can also claim a deduction for the cost of using your car when you drive:

- directly between separate jobs on the same day (provided neither of the workplaces is your home) – for example, travelling from your first job driving a truck in the mines, to your second job as a bartender
- to and from an alternative workplace for the same employer on the same day – for example, travelling between mining sites for your employer
- from home directly to an alternative workplace – for example, travelling from home to a training venue to attend a work-related training course.

To claim a deduction, you must keep records of your car use. You can choose between the logbook method or the cents per kilometre method to work out your deduction if you:

- own the car
- lease the car (directly from the finance company)
- hire the car under a purchase agreement (with the car dealership or a finance company).

You don't own, lease or hire a car you use under a salary sacrifice or novated lease arrangement. This is because it's usually your employer leasing the car from the financing company and making it available for your use. You can't claim a deduction for car expenses but you can

claim additional work-related expenses you incur that are associated with your work use of the car such as **parking and tolls**.

If you use the **logbook method**, you need to keep a valid logbook to help you work out the percentage of work-related use along with written evidence of your car expenses.

If you use the **cents per kilometre method**, you can claim a **set rate** for each work-related kilometre travelled. The maximum number of kilometres you can claim under this method is 5,000. You must be able to show how you work out your kilometres and that they were work-related.

If you claim your work-related car expenses using one of the above methods, you can't claim any further deductions in the same tax return for the same car. For example, petrol, servicing, and insurance costs.

To claim a deduction in your tax return, include the amount of your claim at **Work-related car expenses**. The **Work-related car expenses calculator** can help you work out the amount you can claim as a deduction.

You can't use the cents per kilometre or logbook methods to work out your claim for a:

- motorcycle
- vehicle with a carrying capacity of one tonne or more (such as a ute)
- vehicle that can transport 9 passengers or more (such as a minibus).

For these vehicles, you can claim the actual expenses you incur for your work-related travel. This includes costs such as fuel, oil, insurance and loan interest along with the decline in value of the vehicle. You must keep receipts for all your expenses and records to show your work-related use of the vehicle. Although you aren't required to keep a logbook, it is the easiest way to calculate the work-related use of your vehicle.

To claim a deduction for actual expenses you incur for a vehicle not defined as a car, include the amount at **Work-related travel expenses**.

Example: travelling to and from alternative workplaces

Kevin is a site supervisor and drives his own car between various mining sites throughout the day to inspect their work. After inspecting the last site, Kevin travels directly home.

Kevin can claim a deduction for the expenses he incurs when he is travelling to alternative sites and then home. Kevin can't claim a deduction for travel between his home and regular place of work as this is considered private travel.

Example: transporting bulky equipment for work purposes

April is an employee on an underground mining site and is required to provide her own tools and equipment to perform her work duties. The tools are heavy and can only be transported using a car. Her employer doesn't provide a secure tool storage area at her workplace, so she must transport her bulky tools and equipment to and from work every day.

April can claim a deduction for the expenses she incurs to transport her tools and equipment between her home and work.

Child care

You can't claim a deduction for the cost of **child care** (including school holidays and before and after school care) when you're working. It's a private expense, and the expenses have no direct connection to earning your income.

Clothing and uniform expenses (including footwear)

With a few exceptions, clothing can't be deducted as a work-related expense.

You can't claim conventional clothing (including footwear) as a work-related expense, even if your employer requires you to wear it and you only wear these items of clothing at work.

'Conventional clothing' is everyday clothing worn by people regardless of their occupation – for example, work wear worn by mining site employees.

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 in one of the following categories:

- **protective clothing** – clothing with protective features or functions that you wear to protect you from specific risks of injury or illness at work. For example, hi-vis vests, steel capped boots and fire-resistant clothing. Conventional clothes you wear at work are not regarded as protective clothing if they lack protective qualities designed for the risks of your work. This includes jeans, drill shirts, shorts, trousers, socks, closed shoes.
- **occupation-specific** – clothing that distinctly identifies you as a person with a particular profession, trade or occupation. For example, a judge's robes or a chef's chequered pants. Items traditionally worn in a profession are not occupation-specific where the clothing is worn by multiple professions.
- **a compulsory uniform** – clothing that your employer strictly and consistently enforces you wear by workplace agreement or policy and distinctly identifies either
 - you as an employee working for a particular employer
 - the products or services your employer provides
- **a non-compulsory uniform** – a uniform that is not compulsory to wear and that your employer registers on the Register of Approved Occupational Clothing

You can't claim a deduction if your employer buys or mends your clothing and footwear, footwear or protective clothing.

Example: non-deductible conventional clothing

Richard wears jeans with t-shirts or long sleeve shirts at work as they are comfortable. While the jeans and shirts afford Richard some protection from skin abrasions, they provide only limited protection from injury.

The items are commonly worn as conventional clothing and aren't designed to protect the wearer to cope with rigorous working conditions.

Richard can't claim a deduction for the cost of buying or cleaning these items because they are private in nature.

Example: protective clothing

Rafael is a miner who wears steel-capped boots and a hi-vis vest when working at the mine site. These items protect Rafael from the specific risks of injury or illness at work.

As Rafael buys these items himself and isn't reimbursed by his employer, he can claim a deduction for the cost of these items as they are protective clothing.

Example: compulsory uniform with a logo

Jessica is a mining engineer and is required to wear a shirt provided by her employer when she is at work. Her shirt is embroidered with her employer's logo. Jessica is also required to wear plain black pants and black shoes.

Jessica can't claim the cost to buy, repair or replace her black pants or shoes as they are conventional items.

Jessica can't claim the cost of buying the embroidered shirts as her employer provides these.

Jessica can claim a deduction for the cost of washing the embroidered shirts as they are:

- distinctive items with the employer's logo
- compulsory for her to wear at work.

Drivers licence

You can't claim a deduction for the cost to get or renew your **drivers licence**, even if you must have it as a condition of employment. This is a private expense.

You can claim a deduction for additional costs you incur to get a special licence or condition on your licence to perform your work duties. For example, the cost you incur to get a heavy vehicle permit.

Example: heavy vehicle permit

Jacob is an employee on a mining site and must have a drivers licence, truck licence and a heavy vehicle permit.

Each year, Jacob pays:

- \$45 per year to renew his drivers licence
- \$65 per year to renew his truck licence
- \$73 to apply for the heavy vehicle permit.

Jacob can't claim a deduction for the cost to renew his drivers licence (\$45) because it is a private expense.

Jacob can claim the cost of the truck licence (\$65) and heavy vehicle permit (\$73) as it's an additional expense he must incur to carry out his employment duties.

Fines and penalties

You can't claim a deduction for any **fines or penalties** you get when you travel to work or during work. Fines may include parking and speeding fines or penalties.

First aid courses

You can claim a deduction for the cost of **first aid training courses** if you are both:

- a designated first aid person
- need to complete a first aid training course to assist in emergency work situations.

You can't claim a deduction if your employer pays for or reimburses you for the cost of the course.

Fitness expenses

You can't claim a deduction for **fitness expenses**, such as gym fees, gym clothes or equipment to maintain your personal fitness. This is the case even if you need to pass medical examinations and fitness tests to maintain your employment.

For more mining site employee expenses, see:

- Mining site employee expenses G–O
- Mining site employee expenses P–S
- Mining site employee expenses T–W

QC 19678

Mining site employee expenses G–O

Details on claiming common mining site employee expenses.

Last updated 9 May 2025

On this page

[Glasses, contact lenses and anti-glare glasses](#)

[Laundry and maintenance](#)

[Licences, permits and cards](#)

[Meal and snack expenses](#)

[Music streaming services, CDs, audio books or podcasts](#)

[Newspapers and other news services, magazines and professional publications](#)

[Overtime meal expenses](#)

Glasses, contact lenses and anti-glare glasses

You can't claim a deduction for prescription glasses or contact lenses, even if you need to wear them while working. These are private expenses.

You can claim a deduction for the cost of protective glasses if you wear them to reduce the real and likely risk of illness or injury while working. Protective glasses include anti-glare or photochromatic glasses, sunglasses, safety glasses or goggles.

You only claim a deduction for the work-related use of the item.

Laundry and maintenance

You can claim a deduction for the costs you incur to wash, dry and iron clothing you wear at work if it's:

- protective (for example, a hi-vis jacket)
- occupation specific and not a conventional, everyday piece of clothing such as jeans or general business attire
- a uniform either non-compulsory and registered by your employer on the Register of Approved Occupational Clothing or compulsory.

This also includes laundromat and dry-cleaning expenses.

We consider that a reasonable basis for working out your laundry claim is:

- \$1 per load if it only contains clothing you wear at work from one of the categories above

- 50c per load if you mix personal items of clothing with work clothing from one of the categories above.

You can claim the actual costs you incurred for repairing 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 will still need to calculate and be able to show how you worked out your claim. This isn't an automatic deduction.

Example: deductible laundry expenses for protective clothing

Kostas' employer provides him with protective uniforms that he is required to wear while working on a mine site. These uniforms are part of the workplace health and safety regulations.

Kostas can claim a deduction for the cost of laundering his uniforms.

Kostas estimates he washes his uniforms separately 3 times per week and worked for 48 weeks of the year.

Kostas calculates his laundry claim as follows:

$$3 \times 48 \text{ weeks} \times \$1 \text{ per load} = \$144$$

Example: deductible laundry expenses

Lynette wears a uniform to work each day which is supplied by her employer. She washes, dries and irons the uniforms in a mixed load of washing twice a week. Lynette works 48 weeks during the year.

Her claim of \$48 for laundry expenses is worked out as follows:

$$\text{Number of claimable laundry loads per week} \times \text{number of weeks} = \text{total number of claimable laundry loads}$$

$$\text{Calculated as: } 2 \times 48 \text{ weeks} = 96$$

Total number of claimable laundry loads × reasonable cost per load = total claim amount

Calculated as: $96 \times \$0.50 = \48

As Lynette's total claim for laundry expenses is under \$150 she isn't required to have and provide written evidence of her laundry expenses. Although she doesn't require written evidence to prove her claim for laundry, if asked, she will still be required to show how she worked out her claim.

Example: Non-deductible laundry expenses

Jason buys heavy duty cargo pants that he wears in the office when he isn't onsite. The pants don't have his employer's logo or branding on them and aren't part of a compulsory uniform.

Jason can't claim a deduction for the purchase or laundering of the pants as they are conventional clothing and are private in nature.

Licences, permits and cards

You can't claim the cost of getting your initial licence, regulatory permit, cards or certificates to get a job. For example, a forklift licence or truck licence.

You can claim a deduction for costs you incur to renew your licence, regulatory permit, card or certificate to perform your work duties. For example, if you need to have a truck licence to get your job, you can't claim the initial cost of getting it. However, you can claim the cost of renewing it during the period you are working.

Example: heavy vehicle permit

Sean drives trucks and heavy vehicles around the mining sites. Sean is required to have a drivers licence, truck licence and heavy vehicle permit to complete his employment duties.

Sean pays for his heavy vehicle permit and truck licence prior to starting his job.

He can't claim a deduction for the licence expenses he incurs to gain employment. However, he can claim the cost of maintaining his heavy vehicle permit and truck licence as it is a requirement for his ongoing employment.

Meal and snack expenses

You can't claim a deduction for the cost of food, drink or snacks you consume during your normal working hours, even if you receive a meal allowance. These are private expenses.

You can claim:

- [overtime meal expenses](#), but only if you buy and eat the meal while you are performing overtime and you receive an overtime meal allowance under an industrial law, award or agreement
- the cost of meals you incur when you are travelling overnight for the purpose of carrying out your employment duties (travel expenses).

Music streaming services, CDs, audio books or podcasts

You can't claim a deduction for the cost of music streaming services, CDs, audio books, podcasts or devices that you use at work. Even if they're used to keep you motivated or occupied at work, these items aren't essential to earning your income. They are private expenses.

Newspapers and other news services, magazines and professional publications

The cost of newspapers and other news services, magazines and professional publications are generally private expenses and not deductible.

You can claim a deduction for the cost of buying or subscribing to a professional publication, newspaper, news service or magazine if you can show:

- a direct connection between your specific work duties and the content
- the content is specific to your employment and is not general in nature.

If you use the publication for work and private purposes, you can only claim the portion related to your work-related use.

Overtime meal expenses

You can claim a deduction for the cost of a meal you buy and eat when you work overtime, if all of the following apply:

- you receive an overtime meal allowance under an industrial law, award or agreement
- the allowance is on your income statement or payment summary as a separate allowance
- you include the allowance in your tax return as income.

You can't claim a deduction if the allowance is part of your salary and wages and not included as a separate allowance on your income statement or payment summary.

You generally need to get and keep written evidence, such as receipts, when you claim a deduction. However, each year we set an amount you can claim for overtime meal expenses without receipts. We call this the 'reasonable amount'. If you receive an overtime meal allowance, are claiming a deduction and spent:

- up to the reasonable amount, you don't have to get and keep receipts
- more than the reasonable amount, you must get and keep receipts for your expenses.

In all cases, you need to be able to show you spent the money and how you worked out your claim.

Example: overtime meal deduction

Frankie is a general employee in the mines. Frankie works overtime 20 times throughout the year, after completing his

normal 8-hour shift. Each time he receives an overtime meal break and overtime meal allowance of \$20 under the award.

During his overtime, Frankie generally buys and eats a meal costing \$15. The amount Frankie spends is less than the reasonable amount for the relevant income year. His income statement shows the overtime meal allowances as a separate allowance totalling \$400. That is, 20 overtime shifts × \$20.

In his tax return, Frankie includes the allowance as income and claims a deduction. He works out his deduction as:

$$\$15 \times 20 \text{ overtime shifts} = \$300.$$

That is the actual amount he spent on overtime meals multiplied by the number of overtime shifts.

As the amount Frankie spent on his meals is less than the reasonable amount, he doesn't have to keep receipts. However, if asked, Frankie will have to show that he spent the \$300 on overtime meals and how he worked out his claim.

For more information, see *TD 2024/3 Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2024-25 income year?*

For more mining site employee expenses, see:

- Mining site employee expenses A–F
- Mining site employee expenses P–S
- Mining site employee expenses T–W

QC 19678

Mining site employee expenses P–S

Details on claiming common mining site employee expenses.

On this page

[Phone, data and internet expenses](#)

[Protective items](#)

[Removal and relocation expenses](#)

[Repairs to tools and equipment](#)

[Self-education expenses](#)

[Seminars, conferences and training courses](#)

[Sunglasses, sunhats and sunscreens](#)

Phone, data and internet expenses

You can claim a deduction for phone, data and internet costs for the work-related use of your own phone or electronic devices.

If your phone, data and internet use for work is incidental and you're not claiming more than \$50 in total, you do not need to keep records.

If you claim more than \$50, you need to keep records to show your work use. For example, an itemised bill where you can identify your work-related phone calls and data use.

You can't claim a deduction if your employer:

- provides you with a phone for work and pays for your usage
- reimburses you for the costs you incur.

You can't claim a deduction for any phone calls to family and friends, even while travelling for work. This is because these are personal phone calls.

If all or part of your work-related phone, data and internet expenses are incurred as a result of **working from home** and you use the **fixed rate method** to claim your working from home deductions, you can't claim a separate deduction for these expenses.

For more information, see:

- Mobile phone, mobile internet and other devices
- Home phone and internet expenses

Example: calculating phone expenses

Sebastian uses his mobile phone for work purposes. He is on a set plan of \$49 a month.

He receives an itemised account from his phone provider each month that includes details of his individual calls.

At least once a year, Sebastian prints out his account and highlights the work-related phone calls he made. He makes notes on his account for the first month about who he is calling for work – for example, his manager and site safety officers.

Out of the 300 phone calls he has made in a 4-week period, Sebastian works out that 30 (10%) of the individual phone call expenses billed to him are for work. He applies that percentage to his monthly plan amount (\$49 a month).

Sebastian calculates his phone calls for work purposes as follows:

Total work phone calls ÷ total number of phone calls = work use percentage for phone calls

$$30 \div 300 = 0.10 \text{ (that is 10\%)}$$

Sebastian can claim 10% of the total bill of \$49 for each month for work purposes, that is:

$$\$49 \times 0.10 = \$4.90$$

Sebastian worked for 46 weeks of the year (10.6 months), so he calculates his work-related mobile phone expense deduction as follows:

$$10.6 \text{ months} \times \$4.90 = \$51.94$$

Example: work and private use

Sylvette uses her computer and personal internet account at home to access her work emails. Sylvette also uses her computer and the internet for private purposes.

Sylvette's internet use diary showed 40% of her internet time was for work-related activities and 60% was for private use. As her internet service provider charge for the year was \$1,200 she can claim:

$$\$1,200 \times 0.40 = \$480 \text{ as work-related internet use.}$$

If anyone else was accessing the internet connection, Sylvette needs to reduce her claim to account for their use

Protective items

You can claim a deduction for the cost of **protective items**, if you wear them:

- to protect you from the real and likely risk of injury or illness in your work environment
- while performing your work duties.

To be considered protective, the equipment must provide a sufficient degree of protection against the risks of illness or injury you are exposed to in carrying out your work duties. Protective items can include safety glasses, helmets and breathing masks. For example, a mining employee can claim a deduction for the cost of hard hats, earplugs or protective gloves.

You can also claim the costs you incur to repair, replace or clean protective items.

You can't claim a deduction if your employer:

- supplies the protective items
- reimburses you for the cost you incur to buy protective items.

Example: protective equipment required for employment duties

Barry is an underground miner. He must wear safety glasses, a hard hat and a breathing mask whilst working. These items protect Barry from the real and likely risk of injury or illness that he may be exposed to while working in the mines.

Barry is required to buy these items himself and is not reimbursed by his employer.

Barry can claim a deduction for the cost of the items. He is also able to claim any costs he incurs to repair, replace or clean these protective items.

Example: protective items provided by the employer

Alexa is a machine operator within a mining site. Her employer requires her to wear earmuffs or earplugs at all times to protect her hearing from being injured while working. Her employer supplies her with these items. There is a direct connection between Alexa's employment duties and the need for these protective items.

As Alexa's employer provides the protective equipment, she can't claim a deduction as she has not incurred any cost.

If Alexa had purchased the hearing protective equipment herself and was not reimbursed by her employer, she could claim a deduction.

Removal and relocation expenses

You can't claim a deduction for the cost to transfer or relocate to a new work location. This is the case whether the move is a condition of your existing job or you are taking up a new job.

Repairs to tools and equipment

You can claim a deduction for repairs to **tools and equipment** you use for work. If you also use them for private purposes, you can only claim an amount for your work-related use.

Example: deduction for repair cost to equipment

Piper is a general mining employee who regularly uses a range of tools and equipment in her job. Her jack hammer has stopped working and she had to pay \$200 to get this repaired. Piper only uses this jackhammer for work-related purposes. She was not reimbursed by her employer.

Piper can claim a deduction for the costs she incurs to repair her jack hammer.

Self-education expenses

You can claim a deduction for **self-education expenses** if it directly relates to your employment as a mining site employee and at the time you incur the expense, it:

- maintains or improves the skills and knowledge you need for your current duties
- results in or is likely to result in an increase in your income from your current employment.

You can't claim a deduction for a self-education expense if at the time you incur the expense, it either:

- doesn't have a connection with your current employment
- only relates in a general way to your current employment
- enables you to get employment or change employment.

If your self-education expenses are deductible, you can claim expenses such as **course or tuition fees**, student and amenities fees, textbooks, academic journals and stationery expenses. You can also claim a deduction for depreciating assets that cost \$300 or less or claim a deduction for the decline in value of any depreciating assets which cost more than \$300 that you use for your work-related study.

If you do your study at your home, you may also be able to claim **work from home running expenses**, but not occupancy expenses.

You can't claim a deduction for the repayments you make on your study or training support loan. Study and training support loans include:

- Higher Education Loan Program (HELP) (FEE-HELP and HECS-HELP)
- VET Student Loans (VSL)
- Australian Apprenticeship Support Loans (AASL)
- Student Financial Supplement Scheme (SFSS)
- Student Start-up Loan (SSL).

While course or tuition fees may be deductible, fees you incur under the Higher Education Contribution Scheme Higher Education Loan Program (HECS-HELP) scheme are not deductible.

Example: deductible self-education expenses

Doug is studying mining engineering while doing clerical work for a mining company. His duties as a clerk include data entry, preparing reports, filing and despatching income and outgoing mail.

After he has completed his first year of study, Doug is offered a mining engineer cadetship with his current employer, with a condition that he will continue his studies. As a mining engineer cadet, Doug works closely with a mining engineer from the company who oversees any work he does.

Doug can't claim his study expenses he incurs while he is employed as a clerk. The skills and knowledge Doug needs to do his job as a clerk would not be improved or maintained as a result of studying mining engineering. Doug incurs the expenses to change his employment.

However, once he begins his mining engineer cadetship with his employer, his study expenses can be claimed as a deduction. This is because his study will:

- maintain or improve the specific skills and knowledge he needs for his duties as a mining engineer cadet
- results in, or be likely to result in, an increase in Doug's income from his employment as a mining engineer cadet.

Seminars, conferences and training courses

You can claim a deduction for the cost of **seminars, conferences and training courses** that relate to your work as a mining site employee.

The costs you can claim includes fares to attend the venue where the seminar, conference or training course is held and registration costs. If you need to travel and stay away from home overnight to attend such an event, you can also claim the cost of accommodation and meals.

You may not be able to claim all of your expenses if attending a seminar, conference or training course is for both work-related and private purposes. If the private purpose is incidental, such as a catered lunch or a reception for delegates, you can still claim all your expenses. However, if the main purpose is not work-related, such as attending a conference while on a holiday, you can only claim the direct costs. Direct costs include the registration costs.

Where you have a dual purpose for attending the seminar, conference or training course, for example you add a holiday of one week to a training course that runs for one week, then you can only claim the work-related portion.

Example: deduction for a training course

Alphonse is a diesel mechanic. He is required by his employer to pay for workplace health and safety training as an ongoing condition of his employment.

Alphonse can claim a deduction for the cost of the training as it directly relates to his current employment.

Example: training course not deductible

Alphonse is also paying for and undertaking a course in leadership in the hope it results in future promotion opportunities.

As the course doesn't directly relate to his current role as a diesel mechanic, Alphonse can't claim a deduction for the expense.

Sunglasses, sunhats and sunscreens

You can claim a deduction for the work-related use of sunglasses, sunhats and sunscreen lotions if you:

- must work outdoors in the sun for prolonged periods
- use these items to protect you from the real and likely risk of illness or injury while at work.

This includes prescription sunglasses and anti-glare glasses.

You can only claim a deduction for the work-related use of the products if you also wear them for private purposes.

Example: claiming sunglasses

Harold drives a truck on a mine site. He wears sunglasses to protect his eyes from the glare of the sun while driving the truck. He also needs to wear glasses while driving, for his short-sightedness.

Harold buys a pair of prescription sunglasses and a pair of untinted prescription glasses for night driving. Harold doesn't use his prescription sunglasses or glasses when he is not working.

Harold can claim a deduction for the prescription sunglasses as he uses them to protect his eyes from the glare of the sun while he is carrying out his employment duties. Harold can't claim a deduction for the untinted prescription glasses as they don't

protect his eyes while he is working. The cost of Harold's untinted prescription glasses are a private expense.

For more mining site employee expenses, see:

- Mining site employee expenses A–F
- Mining site employee expenses G–O
- Mining site employee expenses T–W

QC 19678

Mining site employee expenses T–W

Details on claiming common mining site employee expenses.

Last updated 9 May 2025

On this page

[Tools and equipment](#)

[Travel expenses](#)

[Union and professional association fees](#)

Tools and equipment

You can claim a deduction for **tools and equipment** you use to perform your duties as a mining site employee. For example, a drill or shovel.

You can only claim a deduction for the work-related use of the item.

If the tool or equipment cost you \$300 or less, you can claim it in the year you buy it, if:

- you use it mainly to produce non-business assessable income
- it's not part of a set that together cost more than \$300
- it's not identical, or substantially identical to, other items that together cost more than \$300.

You can claim a deduction for the cost over the life of the item (that is, decline in value), if the tool or equipment:

- cost more than \$300
- is part of a set that together cost more than \$300
- is identical, or substantially identical to, other items that together cost more than \$300.

If you bought the tool or item of equipment part way through the year, you can only claim a deduction for the decline in value for the period of the income year that you own it. You also need to apportion your deduction if you use the item for private purposes. To work out your deduction use the **Depreciation and capital allowances tool**.

You can also claim a deduction for the cost of **repairs to tools and equipment** that you use for work purposes.

You can't claim a deduction for tools and equipment that your employer or a third party supplies for use.

Example: claiming a deduction for the decline in value for tools and equipment

Jorge buys a range of tools including a drill (\$350), spanner set (\$600) and welding equipment (\$2,000) to carry out his employment duties.

Jorge uses these tools at home for DIY activities. Jorge applies a reasonable basis and determines that he uses the drill and spanner set 60% of the time for work purposes and the welding equipment 80%.

An immediate deduction can't be claimed by Jorge for any of the tools or equipment he buys because they all cost more than \$300. Jorge can claim a deduction for the decline in value of the drill, spanner set and welding equipment over the effective life of

each of the tools. However, he must reduce his decline in value deduction to account for his private use of the tools.

Example: Purchasing tools and equipment costing less than \$300

Bob buys a hammer (\$100) and a chisel (\$250) that he only uses for work purposes.

He is able to claim an immediate deduction for the full amount of the hammer and chisel as:

- he uses the tools and equipment mainly to earn his employment income and he doesn't use them for private purposes.
- the hammer and chisel are not part of a set that together cost more than \$300
- the hammer and chisel are not identical, or substantially identical to each other.

Travel expenses

You can claim a deduction for **travel expenses** you incur when your work requires you to:

- travel for work
- sleep away from your home overnight in the course of performing your employment duties.

Expenses you can claim include your accommodation, meals and expenses which are incidental to the travel (incidentals). For example, if you're required to travel to a remote mine site for 3 nights to carry out inspections.

You can't claim a deduction for travel expenses where you don't incur any expenses, because:

- you slept in accommodation your employer provides

- you eat meals your employer provides
- your employer or a third party reimburses you for any costs you incur.

You also can't claim a deduction if you are not required to sleep away from your home overnight in the course of performing your employment duties. For example, if you fly interstate for work and return home the same day, or you choose to sleep near your workplace rather than returning home.

Receiving an allowance from your employer doesn't automatically mean you can claim a deduction. In all cases, you must be able to show:

- you were away overnight
- you have spent the money
- the travel directly relates to earning your employment income
- how you work out your claim.

If you receive a travel allowance you must include it as assessable income in your tax return unless all of the following apply:

- the travel allowance is not shown on your income statement or payment summary
- the travel allowance doesn't exceed the Commissioner's reasonable amount (the reasonable amount is the amount we set each year for determining whether an exception from keeping written evidence applies for accommodation, meal and incidental expenses which are covered by a travel allowance)
- you spent the whole allowance on deductible accommodation, meal and incidental expenses (if applicable).

You must keep written evidence (such as receipts) for all your overseas accommodation expenses regardless of whether you receive an allowance. You don't have to keep written evidence for other travel expenses if both of the following apply:

- you received a travel allowance from your employer for the expenses, and
- your deduction is less than the Commissioner's reasonable amount.

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

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

A living-away-from-home allowance (LAFHA) is different from a travel allowance. An allowance is a LAFHA if both of the following apply:

- your employment duties require you to live away from your normal residence
- some or all of the allowance is to compensate you for the additional non-deductible expenses and other additional disadvantages you incur because you have to live away from your normal residence.

A LAFHA is non-assessable non-exempt income, so it doesn't need to be included as income in your tax return.

Circumstances may be different for fly in, fly out (FIFO) workers.

Example: living away from home allowance

Joe is a project manager. He lives in the city with his family and applies for a job to work on a mining project near a country town for 12 months. It is not possible for Joe to travel to and from the project site each day due to the distance between his home and the site.

Joe's employer pays him LAFHA to compensate him for the additional living expenses, including his accommodation and meal costs, while he is living away from his normal residence to work on the project.

The allowance isn't on Joe's income statement because it is non-assessable non-exempt income.

Joe is not travelling overnight for work. He can't claim a deduction for his accommodation and meal costs while living away for work because they are private living expenses.

Example: reasonable allowance amount

Antoni travels from Adelaide to Mt Gambier for a job. Antoni is away from home for 5 nights and his employer pays him a travel allowance of \$110 per night for accommodation, meals and incidentals. The allowance isn't shown on his income statement.

The travel allowance amount paid to Antoni is less than the reasonable allowance amount and he spends all of the travel allowance on his travel expenses.

Antoni doesn't include his allowance on his tax return because:

- it isn't shown on his income statement
- it's less than the reasonable allowance amount
- he spends it all to cover his travel expenses.

This means Antoni can't claim a deduction for his expenses on his tax return.

For more information, see:

TD 2024/3 Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2024-25 income year?

TR 2021/4 Income tax and fringe benefits tax: employees: accommodation and food and drink expenses, travel allowances, and living-away-from-home allowances

Union and professional association fees

You can claim a deduction for union and professional association fees you pay. You can use your income statement or payment summary as evidence of the amount you pay if it's shown on there.

For more mining site employee expenses, see:

- Mining site employee expenses A–F
- Mining site employee expenses G–O
- Mining site employee expenses P–S


QC 19678

Record keeping for work expenses

Records you need to keep as evidence of your expenses and exceptions to keeping some records.

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To claim a deduction, you need to get and **keep records** to prove you incurred the expense. You will also need to be able to show how the expense relates to earning your employment income.

For a summary of work-related expense records, download [Keeping records for work-related expenses \(PDF, 999KB\)](#) .

For most expenses you need a receipt or similar document from the supplier that shows all of the following:

- the name or business name of the supplier
- the amount of the expense or cost of the asset
- the nature of the goods or services that you purchase
- the date you purchase the goods or services
- the date the document was produced.

Your records must be in English where you incur the expense in Australia.

If your total claim for work-related expenses is more than \$300, you must have written evidence for all of your claims. For some expenses, you might also need a record such as diary or similar document.

However, there are some **record keeping exceptions** available in some circumstances.

For information about records you need for work-related expenses, see:

- **Actual cost method** for working from home expenses
- **Clothing, laundry and dry-cleaning expenses**

- Computers, laptops and software
- Expenses for a car you own or lease
- Expenses for a vehicle that isn't yours or isn't a car
- Fixed rate method for working from home expenses
- Home phone and internet expenses
- Keeping travel expense records
- Mobile phone, mobile internet and other devices
- Overtime meal expenses
- Self-education expenses

You can use the myDeductions tool in the ATO app to help keep track of your:

- work-related expenses (such as vehicle trips)
- general expenses (such as gifts and donations).

You can upload these records when you prepare your tax return, or share them with a registered tax agent at tax time to make lodging your tax return easier.

Find out about mining site employees:

- Income and allowances
- Deductions for work expenses

QC 19678

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