Print whole section

Deductions for donations, investments and managing your tax affairs

How to complete myTax if you have gifts, donations, interest, dividends and managing your tax affairs deductions.

Interest income deductions

How to claim a deduction for expenses you incurred in earning interest income, when lodging your tax return using myTax.

Dividend deductions

How to claim dividend deductions when lodging your tax return using myTax.

Gifts or donations

How to claim a deduction for gifts or donations when lodging your tax return using myTax.

Cost of managing your tax affairs

How to claim expenses incurred in managing your tax affairs when lodging your tax return using myTax.

QC 106653

myTax 2026 Interest income deductions

How to claim a deduction for expenses you incurred in earning interest income, when lodging your tax return using myTax.

Published 1 June 2026

Things to know

To claim a deduction for interest income expenses, you must have incurred expenses in earning interest from any source in Australia. This includes accounts and term deposits held with financial institutions.

Expenses you may have incurred in earning interest income include:

- bank or other financial institution account-keeping fees for accounts held for investment purposes
- management fees and fees for investment advice relating to changes in the mix of your investments
- interest you paid on money you borrowed to purchase investments.

If you incurred expenses when borrowing money for both private use and to purchase investments to produce interest, you can claim only the portion of the expenses relating to the investments.

You can claim part of the decline in value of your computer based on the percentage of your total computer use that related to managing your investments. If you used your computer to manage both your investments to produce interest and investments in shares or similar securities, you can claim only part of the decline in value related to managing those investments once, in either **Interest income deductions** or **Dividend deductions**. Guide to depreciating assets provides more information about claiming a deduction for the decline in value of your computer.

Deductions for some expenses, such as interest and borrowing costs, may be affected by the thin capitalisation rules if they relate to either:

- certain overseas investments
- investments in Australia if you were a foreign resident.

These rules may apply if the total of your debt deductions and those of your associates are over $2 million for 2025–26. Thin capitalisation provides more information about how these rules apply.

Don’t show at this section

Don’t show the following types of interest related expenses at this section:

- Any expenses incurred in earning trust and partnership distributions, go to Partnerships or Trusts.
- Expenses incurred in earning foreign source interest, go to Other foreign income or Other deductions.
- Expenses you're charged for drawing up an investment plan unless you're carrying on an investment business, in which case you would claim any expenses at Business income or losses.

Completing this section

You'll need your bank or financial institution statements or passbooks.

We pre-fill your tax return with interest deductions information you uploaded from myDeductions. Check them and add any other interest income deductions that haven't pre-filled.

To personalise your tax return to show interest income deductions, at **Personalise return**, select:

- You had deductions you want to claim
- Gifts, donations, interest, dividends, and the cost of managing your tax affairs

To show your interest income deductions, at **Prepare return** select 'Add/Edit' at the Deductions banner.

At the **Interest income deductions** banner:

1. For each interest income deduction, select **Add** and enter information into the corresponding fields.

   Joint accounts
   If you had joint accounts or other interest-earning investments, only show your share of the joint expenses. If you held the account or investment equally with one other person, this will be half. Keep a record of how you worked out your part if you didn’t share the expenses equally.

   The **Depreciation and capital allowances tool** can help you work out any decline in value deduction. It can also work out any deductible balancing adjustment when you stop holding a depreciating asset. Access this tool in the **Deductions** section. Fields from this tool can't be adjusted in myTax. To make any adjustments, or to add new assets to the tool, select the 'Use the depreciation and capital allowances tool' link.

2. Select **Save**.
3. Select **Save and continue** when you have completed the **Deductions** section.

QC 106717

myTax 2026 Dividend deductions

How to claim dividend deductions when lodging your tax return using myTax.

Published 1 June 2026

Things to know

To claim a deduction for dividend expenses, you must have incurred expenses in earning any income from dividends and distributions. Dividends and distributions are amounts that were paid or credited to you by Australian companies that you had shares in. This includes dividends applied under a dividend reinvestment plan, or otherwise dealt with on your behalf.

If a listed investment company (LIC) paid you a dividend that included a capital gain amount, you can claim a deduction of 50% of the LIC capital gain at this section. The LIC capital gain amount shows separately on your dividend statement.

What you can claim as a dividend deduction

Dividend expenses you can claim a deduction for may include:

- management fees and fees for investment advice related to changes in the mix of your investments
- interest you paid on money you borrowed to buy shares or similar investments
- costs relating to managing your investments, such as travel and buying specialist investment journals or subscriptions.

For more information on claiming deductions for expenses incurred earning income from shares see You and your shares – deductions from dividend income.

You can also claim 50% of the LIC capital gain, see CGT listed investment companies concession.

If you borrowed money to buy assets for both private use and income-producing investments, you can claim only the portion of the interest expenses relating to the income-producing investments.

Interest you incurred on investments you made using a capital protected borrowing may not be fully deductible. To help determine if you can deduct the full amount, see Capital protected products and borrowings.

You can claim part of the decline in value of your computer using the percentage of your total computer use that related to managing your investments. If you used your computer to manage both your investments to produce interest income and investments in shares or similar securities, then you can claim part of the decline in value related to managing those investments once, in either **Interest income deductions** or **Dividend deductions**. Guide to depreciating assets provides more information about claiming a deduction for the decline in value of your computer.

Deductions for some expenses, such as interest and borrowing costs, may be affected by the thin capitalisation rules if they relate to:

- certain overseas investments, or
- investments in Australia if you were a foreign resident.

These rules may apply if the total of your debt deductions and those of your associates are over $2 million for 2025–26. For more information about how these rules apply see Thin capitalisation.

For more information on deductions you can claim, see Dividend income deductions.

What you can't claim as a dividend deduction

You can't claim expenses for:

- financial advice you received from someone who isn't either a
  - tax agent with a current Tax Practitioners Board registration
  - qualified tax relevant provider with a current Australian Securities and Investments Commission registration
- some interest expenses where you borrowed money under a capital protected product or borrowing
- brokerage fees and other transaction costs.

Don’t show at this section

Don’t show the following expenses at this section:

- Any expenses incurred in earning trust and partnership distributions, go to Partnerships or Trusts
- Expenses incurred in earning foreign source dividends, go to Other foreign income or Other deductions
- Expenses incurred for an investment proposal before the acquisition of an asset unless you were carrying on an investment business, in which case you would claim any expenses at Business income or losses

Completing this section

You will need evidence of your dividend and distribution expenses. Most of the records you need will be given to you by the company, the fund manager or your stockbroker. These may include receipts for

subscriptions and bank statements showing the interest and bank fees you pay. See Dividend deductions.

You'll also need your LIC dividend statement which shows the capital gain amount. Show dividends you received from a LIC in the Dividends section.

We pre-fill your tax return with:

- dividend deductions information you uploaded from myDeductions
- LIC capital gain deduction amount provided to us.

Check them and add any other dividend deductions that haven't pre-filled.

To personalise your tax return to show dividend deductions, at **Personalise return**, select:

- You had deductions you want to claim
- Gifts, donations, interest, dividends, and the cost of managing your tax affairs

To show your dividend deductions, at **Prepare return** select 'Add/Edit' at the Deductions banner.

At the **Dividend deductions** banner:

1. For each dividend deduction expense that hasn't pre-filled in your tax return, select **Add** and enter information into the corresponding fields.

   Joint accounts
   If you had joint share investments or similar investments, only show your share of the joint expenses. If you held the investment equally with one other person, this will be half. Keep a record of how you worked out your part if you didn’t share the expenses equally.

   The **Depreciation and capital allowances tool** can help you work out any decline in value deduction. It can also work out any deductible balancing adjustment when you stop holding a depreciating asset. Access this tool in the **Deductions** section. Fields from this tool can't be adjusted in myTax. To make any adjustments, or to add new assets to the tool, select the 'Use the depreciation and capital allowances tool' link.

2. Select **Save**.

3. Select **Save and continue** when you have completed the **Deductions** section.

QC 106720

myTax 2026 Gifts or donations

How to claim a deduction for gifts or donations when lodging your tax return using myTax.

Last updated 2 July 2026

Things to know

To claim a deduction for gifts or donations you made, you need written evidence, such as a receipt, from an organisation that has a deductible gift recipients (DGR) status.

Your receipt will usually indicate whether you can claim a deduction for the gift or donation. If you're not sure, you can check with the organisation. If you're still not sure, you can check the DGR status of an organisation at ABN Look-up: Deductible gift recipients.

Amounts you can claim

The amount you can claim as a deduction depends on the type of gift. You can claim a deduction for:

- voluntary gifts of money made to an approved DGR organisation, including
  - donations you made through your employer's payroll system (known as 'workplace giving')
  - net contributions of more than $150 for a fund-raising event (see Further conditions for a tax-deductible contribution)
  - bucket donations
    - you can claim a total tax deduction of up to $10 for those donations for the income year without a receipt

  - to claim donations of more than $10, you need a receipt
- a donation of property or shares – there are different rules depending on type and value
  - a donation to an approved DGR organisation of shares listed on an approved stock exchange that are valued at $5,000 or less that you acquired at least 12 months before making the gift
  - donating recently purchased property to a DGR
  - property we value at more than $5,000
- a gift under the Heritage and Cultural programs – there are special circumstances where donations can also be deductible
  - Heritage gifts
  - Donating under the Cultural Gifts Program
  - Claiming conservation covenant concessions
- contributions of $2 or more, up to $1,500, to
  - a registered political party
  - an independent candidate in an election for parliament
  - an individual who was an independent member of parliament during 2025–26 or, in limited circumstances, had been an independent member.

You can find more detailed information in Gifts and donations. See Claiming political contributions and gifts for more information about the rules for deductions for contributions and gifts to registered political parties and independent candidates and members.

If you obtained a valuation for a deductible donation of property, you may be able to claim a deduction for the cost of that valuation. **Don't** show it at this section, go to Cost of managing your tax affairs.

What you can't claim as a gift or donation

You can't claim a tax deduction for donations made to social media or crowdfunding platforms unless they were a registered DGR.

You can't claim a deduction for a gift or donation if you received something in return – for example, raffle tickets or dinner, except in

certain fund-raising events. For more information, see Further conditions for a tax-deductible contribution.

If you receive a token item for your donation you can still claim a deduction. Token items are things of no material value that are used to promote the DGR, such as lapel pins, wristbands and stickers.

If you make donations under a salary sacrifice arrangement, you can't claim a deduction for the donation in your tax return.

For a list of items that you can't claim a deduction for, see What you can't claim.

Record keeping

You'll need receipts of all the tax-deductible gifts, donations and contributions you want to claim or a signed letter from eligible organisations confirming the amount of your donation or contribution.

However, if you made one or more small cash donations to bucket collections – for example, to collections conducted by a DGR for natural disaster victims – you can claim a total tax deduction of up to $10 for those donations for the income year without a receipt.

In some cases, you can also use other records for substantiation, such as for:

- donations made on the web or phone, your web receipt or credit card statement is sufficient
- donations through third parties, such as banks and retail outlets, the receipts they give you are also sufficient
- contributions through 'workplace-giving', your income statement or payment summary shows the amount you donated.

You can find more detailed information in Keeping records for gifts and donations.

You can download the ATO app myDeductions for easy and convenient record-keeping in future years.

For information about the rules and what records you need, see Tax deductible donations:

- for cultural, environmental and heritage property gifts
- when entering into conservation covenants

- if you choose to spread over 5 years your deduction for certain types of gifts.

Completing this section

We:

- pre-fill your tax return with gifts and donations information you uploaded from myDeductions
- show your workplace-giving amounts from the **Income statements and payment summaries** section.

Check them and add any gifts or donations that haven't shown or pre-filled.

To personalise your tax return to show gifts or donations, at **Personalise return**, select:

- You had deductions you want to claim.
- Gifts, donations, interest, dividends, and the cost of managing your tax affairs.

To show your gifts or donations, at **Prepare return** select 'Add/Edit' at the Deductions banner.

At the **Gifts or donations** banner:

1. For each gift or donation expense not shown or pre-filled in your tax return, select **Add** and
    - enter **Your description**
      To assist in record keeping, add a short description of your expense (for example, the deductible gift recipients name).
    - enter the **Amount**
      If you made donations in a joint name, only include your share.
2. Select **Save**.
3. Select **Save and continue** when you have completed the **Deductions** section.

You can find more detailed information about gifts and workplace giving programs in:

- Taxation Ruling TR 2005/13 *Income tax: tax deductible gifts – what is a gift*
- Workplace giving programs for employees.

QC 106722

myTax 2026 Cost of managing your tax affairs

How to claim expenses incurred in managing your tax affairs when lodging your tax return using myTax.

Last updated 13 July 2026

Things to know

To claim a deduction at this section you must have **incurred** expenses for managing your tax affairs, including:

- the preparation and lodgment of your tax return and activity statements, including the costs associated with
  - buying tax reference material
  - tax return preparation courses
  - lodging your tax return through a registered tax agent
  - obtaining tax advice from a recognised tax adviser (fees you paid to a recognised tax adviser are deductible in the year you incurred them)
    A recognised tax adviser is a registered tax agent, BAS agent, qualified tax relevant provider, or legal practitioner. You can see a list of registered tax agents at Tax Practitioners board.
  - dealing with us about your tax affairs
  - purchasing software to allow the completion and lodgment of your tax return – you must apportion the cost if you also used the software for other purposes

- travel to obtain tax advice from a recognised tax adviser
- obtaining a valuation needed for a
  - deductible donation of property, to learn more visit How donors get valuations.
  - deduction for entering into a conservation covenant; to learn more visit Seeking a valuation
- litigation costs you incurred in managing your tax affairs, including
  - court fees
  - Administrative Review Tribunal fees
  - solicitor, barrister and other legal costs
- penalties imposed on you for underestimating a varied goods and services tax (GST) instalment
- expenses for complying with your legal obligations relating to another person's or other entity's tax affairs, including
  - complying with the PAYG withholding obligations – for example, where you withheld tax from a payment to a supplier because the supplier didn't quote an Australian business number (ABN)
  - providing information that we requested about another taxpayer.

You **incurred** an expense in 2025–26 if:

- you're charged and you paid for the expense in 2025–26
- you received a bill or invoice for an expense in 2025–26 that you're liable for and had to pay (even if you paid it after 30 June 2026).

What you can't claim as a cost of managing your tax affairs

You can't claim a deduction for:

- penalties for failing to meet your obligations
- general interest charge (GIC) or shortfall interest charge (SIC)
- tax advice you received from a person who isn't a recognised tax adviser

- receiving financial advice that isn't in relation to managing your tax affairs
- any judgment debt interest that you had to pay as a result of a court case involving your tax affairs.

Completing this section

We pre-fill your tax return with cost of managing your tax affairs information you uploaded from myDeductions. Check them and add any costs of managing your tax affairs that haven't pre-filled.

To personalise your tax return to show cost of managing tax affairs, at **Personalise return** select:

- You had deductions you want to claim
- Gifts, donations, interest, dividends, and the cost of managing your tax affairs

To show your costs of your managing tax affairs, at **Prepare return** select 'Add/Edit' at the Deductions banner.

At the **Cost of managing tax affairs** banner:

1. For each cost of managing tax affairs expense that hasn't pre-filled in your tax return, select **Add**.
2. Select the **Type of deduction** and enter information into the corresponding fields.
   The **Depreciation and capital allowances tool** can help you work out any decline in value deduction. It can also work out any deductible balancing adjustment when you stop holding a depreciating asset. Access this tool in the **Deductions** section. Fields from this tool can't be adjusted in myTax. To make any adjustments, or to add new assets to the tool, select the 'Use the depreciation and capital allowances tool' link.
3. Select **Save**.
4. Select **Save and continue** when you have completed the **Deductions** section.

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

Copyright notice

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).