



Overnight travel expenses and allowances

Work-related travel expenses, records you need to keep, travel allowances and record keeping exceptions.

Overnight travel expenses

Deductions for travel expenses you incur when you travel and stay away from home overnight for work.

Keeping travel expense records

Keeping receipts of your travel expenses, and a travel diary of your work-related travel activities.

Travel allowances for overnight travel


How to declare your travel allowance and claim expenses. Check the reasonable amounts and record keeping exceptions.

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Overnight travel expenses

Deductions for travel expenses you incur when you travel and stay away from home overnight for work.

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For a summary of this content in poster format, see [Travel expenses \(PDF, 267KB\)](#) .

Eligibility to claim travel

You can claim a deduction for travel expenses (accommodation, meals and incidental expenses) if you travel and stay away from your home overnight in the course of performing your employment duties.

You can't claim travel expenses if you don't stay away from your home overnight.

You are travelling overnight for work in the course of performing your employment duties if:

- you're required to temporarily carry out those duties at a place other than your regular place of work (the usual or normal place where you start and finish your work duties for your employer), that is, there is no change to your regular place of work
- you're away from home for short periods of time
- you stay in short-term accommodation such as a hotel.

For example, you would be travelling and staying overnight for work if you need to travel interstate for a number of days to meet with clients.

An employee travelling away from their home overnight for work usually isn't, or can't be, accompanied by family or have family or friends visit them.

You won't be travelling away from home overnight for work if:

- because of your personal circumstances, you live a long way from where you work
- you're [living at a location](#) where you are working
- you choose to sleep at or near your workplace rather than returning home.

Expenses you incur in these circumstances are not deductible because you incur them to start earning employment income. They are private expenses.

Example: not away from home overnight

Mal lives in Hobart and works for an engineering firm.

On occasion, Mal flies to Melbourne for meetings with clients. When Mal's work requires him to attend these meetings, he catches an early flight to Melbourne and returns to Hobart on the same day.

Mal's employer pays him an allowance to cover the cost of his food and drink while he is in Melbourne. The allowance amount is shown on his income statement at the end of the income year.

Mal must include the allowance he receives as income in his tax return.

Mal can't claim a deduction for the amount he spends on food and drink when he travels to Melbourne. These expenses are private because Mal is not travelling overnight in the course of performing his employment duties.

Travel expenses you can claim

Travel expenses you can claim include:

- accommodation expenses – for example, the cost of staying in a hotel, motel, serviced apartment, caravan, or a property booked through a digital platform
- meals (food and drink) expenses
- incidental expenses that are minor but necessary expenses associated with your work-related travel – for example, a car parking fee, bus ticket or a charge for using the phone or internet for work-related purposes at your overnight accommodation
- transport expenses to get to and from the location you are travelling to overnight for work – for example, the cost of flights.

If your travel is for both work and private purposes, you can only claim the expenses that are for work purposes. You'll need to [apportion your travel expenses](#).

You generally need to keep records for your travel expenses.

You claim your deduction for these expenses at **Work-related travel expenses** in your tax return.

Example: deductible travel expenses for work-related trip

Beth is an executive in a large banking company. She travels from her regular workplace in Melbourne to Sydney for a 3-day meeting with clients.

Beth pays for her flights between Melbourne and Sydney, her hotel and all of her meals while she is in Sydney. She also incurs some incidental expenses, including taxi fares from her hotel to the offices of her clients. Beth keeps written evidence (such as receipts) for all of these expenses and her employer doesn't reimburse her.

Beth travels away from her home temporarily to carry out her duties at a place other than her regular place of work. Beth's regular place of work remains her workplace in Melbourne, she is in Sydney for a short period of time and she stays in a hotel. Beth is travelling away from her home overnight in the course of performing her employment duties. She can claim a deduction for the cost of her flights, accommodation, meals and incidental expenses.

In rare circumstances you may be able to claim expenses for accommodation that you rent or buy to stay in when you travel away from home temporarily to perform your work. These expenses:

- must be proportionate to what you would have paid for suitable commercial accommodation for the period of travel
- must be apportioned if the property is also used for private purposes
- cannot be incurred because of a choice you made to maintain your residence in a different location to your place of employment.

Before making a claim for this type of accommodation, check the rules in *TR 2021/4 Income tax and fringe benefits tax: employees: accommodation and food and drink expenses travel allowances, and living-away-from-home allowances*.

Travel expenses you can't claim

You can't claim travel expenses if:

- you don't incur the expenses – for example,
 - you sleep in accommodation your employer provides
 - you eat meals your employer provides
 - your employer or a third party reimburses you for any costs
- due to your personal circumstances, you live a long way from where you work
- you're [living at a location](#) where you are working
- you choose to sleep at or near your workplace rather than returning to your home between your work shifts.

If your travel is for both work and private purposes, you can only claim the expenses that are for work purposes. You'll need to [apportion your travel expenses](#).

Example: living a long way from work – travel expenses not deductible

Craig lives in Brisbane with his family. He accepts a job on a long-term project in Sydney. His employment contract indicates that his place of work is the office on the project site in Sydney.

As Craig lives in Brisbane and doesn't need to be physically on site all the time, he has an informal agreement with his employer to work from home whenever he is not required on site. When it is necessary for Craig to be on site, he is generally there for no longer than 2 weeks at a time. As Craig's regular place of work is in Sydney, his employer does not cover the cost of his flights to Sydney or his accommodation, meals and incidental expenses when Craig stays near the site.

Craig can't claim a deduction for the accommodation, meals and incidental expenses he incurs when he travels and stays in Sydney to work at the project site. Craig incurs the expenses because of his personal circumstances, that is, it is his decision to live in Brisbane and work in Sydney. The expenses are private.

Craig can't claim the cost of his flights between Brisbane and Sydney for the same reasons.

Example: choosing to sleep near workplace – travel expenses not deductible

Max and Doris have retired from full-time work and spend their time travelling around Australia. They use their caravan as accommodation while they are travelling. When Max and Doris need some extra money, they work as fruit pickers for a couple of weeks at a time.

During the income year, Max and Doris spend 42 weeks travelling around Australia and 10 weeks working at different farms.

Max and Doris can't claim a deduction for the decline in value of their caravan or for any amounts they spend on meals, caravan park rental and incidentals during the 10-week period they spend working. The caravan isn't used for a taxable purpose (for the purpose of gaining or producing their assessable income) and the meals, caravan park rental and incidental expenses are private in nature.

Example: reimbursed travel expenses not deductible

Omar is a sales manager. Under the terms of his employment agreement, Omar is based in his employer's Perth office. He is also responsible for the offices in Albany and Broome.

When Omar travels to the Albany and Broome offices for meetings and staff performance appraisals he is away overnight. His employer books and pays for his flights and his accommodation when he travels. Omar uses his employer's credit card to pay for meals and incidental expenses when he travels.

Although Omar is travelling away from his home overnight for work, he can't claim a deduction for his flights, accommodation, meals or incidental expenses. This is because his employer pays for all of the expenses directly.

Living at a location

If you are living at a location where you are working, you can't claim accommodation, meals or incidental expenses for being at that location.

You will generally be living at a location if all the following are true:

- there is a change in your regular place of work and you incur accommodation, food and drink expenses to be closer to your new regular place of work
- the overall period you are away from your home is relatively long
- you stay in longer term or settled accommodation, such as a unit or house.

An employee living at a location usually is, or can be, accompanied by family or have family and friends visit them.

Example: living at a location – travel expenses not deductible

Maria works at her employer's office in Adelaide. She lives close to the office with her family. Maria's employer is setting up a new office in Perth and assigns Maria to the Perth office for 6 months to help set it up.

During the period she is in Perth, Maria lives in a 2-bedroom unit close to the new office, which would be big enough to accommodate her family if they travelled to Perth with her. Maria's family remain in the family home in Adelaide rather than join her in Perth.

Maria is living in Perth for the 6-month period rather than travelling to Perth because:

- she is staying away from her home for a relatively long period
- she is staying in longer term accommodation

- her regular place of work has become the Perth office.

The expenses Maria incurs for her accommodation and meals while she is working in Perth are private expenses. They are not deductible.

Even if Maria travelled home each weekend, she would still be living in Perth for the 6-month period.

Apportioning travel expenses

If your expenses are for both work and a private purpose, you can only claim the work-related expenses.

For example, you need to apportion your travel expenses if:

- you add a holiday to the end of work-related travel
- family or friends travel and stay with you when you travel overnight for work
- you attend a work-related activity while you happen to be on holiday.

If the private part of your travel is incidental to your travel away from your home overnight on a work trip, you may not be required to apportion your costs.

Example: travelling with a partner or family member

Juan is an employee accountant in Adelaide. His employer requires him to travel to Melbourne for a week to visit clients and attend several meetings in the Melbourne office. Juan's partner and 2 small children go with him so they can have a holiday in Melbourne while Juan is working. To accommodate his family, Juan books a 2-bedroom apartment.

As Juan is travelling overnight for work purposes, he can claim a deduction for the cost of his accommodation and meals. However, Juan can only claim a deduction for the cost of his meals and for the amount the accommodation would have cost if

he was travelling alone. For example, Juan would incur the cost of a 1-bedroom apartment or hotel room when travelling alone.

The cost of accommodation and meals for Juan's family while they are on holiday in Melbourne is private. He can't claim any cost associated with their accommodation or their meal expenses as a deduction.

Example: travel to another destination from a work location

Nitin travels from Melbourne to Perth for a 5-day work conference and adds on a return trip to Broome for 2 days for private purposes.

Nitin can claim a deduction for his flights to and from Perth and the accommodation, meals and incidental expenses that he incurs during the 5 days he spends at the work conference in Perth.

Nitin can't claim a deduction for the cost of travelling between Perth and Broome or for any of his accommodation, meals or incidental expenses while he is in Broome. These expenses are private.

Example: combined personal and work-related trip to same destination

Andrea is in the process of booking a holiday to Sydney to see an art exhibit when her employer asks her if she would attend a 3-day work-related conference. The conference coincidentally is to be held from the Monday following the holiday Andrea is planning.

Andrea changes her travel arrangements to include the additional time in Sydney. In total, she spends 3 days in Sydney for private purposes, then an additional 3 days at the conference.

Andrea must apportion the cost of her flights for the private part of her trip (50%). Andrea can only claim the accommodation, meals and incidental expenses she incurs while attending the 3-day work-related conference.

Example: personal travel incidental to work-related travel

Norma is an employee architect. She travels to an 8-day work conference in Hawaii on trends in modern architecture. One day of the conference involves a sight-seeing tour of the island, and a game of golf is held on the final afternoon of the conference.

Norma can claim the cost of her flights to Hawaii and her accommodation, meals and incidental expenses as a deduction. The private activities, the island tour and golf game are incidental to the main purpose of her travel, which is the work conference.

Example: attending work-related events during personal travel

Pablo is holidaying in Cairns when he becomes aware of a work-related seminar which runs for half a day. Pablo pays the seminar fee and attends.

Pablo can claim the cost of attending the seminar. Pablo can't claim his airfares to and from Cairns or accommodation and meals while in Cairns, as the primary purpose of the travel is private.

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Keeping travel expense records

Keeping receipts of your travel expenses, and a travel diary of your work-related travel activities.

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Records you need for travel expenses

Unless an exception applies, you must keep records to support your claims for travel expenses. This may be a combination of:

- [written evidence of your expenses](#), such as receipts
- [travel diary or similar record](#) of your travel activities.

You need to keep your travel expense records for 5 years from the date you lodge your tax return.

If you don't keep written records of your travel expenses, you can't claim your travel expenses as a deduction.

If you receive a travel allowance from your employer, you may be eligible for the record keeping exception.

Written evidence of your expenses

Written evidence of your expenses is a receipt or other document (paper, digital or electronic) that you get from the supplier of the goods or services. It must include all of the following:

- name of the supplier
- amount of the expense (in the currency in which you incur the expense)
- nature of the goods or services
 - if this is not shown on the document, you can write the missing details on the document yourself. You must do this before you lodge your tax return

- date you incur the expense
 - if this is not shown on the document, you can use your bank statement, credit card statement or some other reasonable, independent evidence to show when you paid the expense
- date the receipt or document is created.

If you incur the expense in Australia the document must be in English. If you incur the expense in another country the document can be in a language of that country.

Travel diary or record of your activity

A travel diary is a document in which you record your travel activities.

The purpose of a travel diary is to help work out the work-related and private elements of your trip. You can only claim deductions for the work-related part of your expenses.

Do you need to keep a travel diary?

You don't need to keep a travel diary if you are away for fewer than 6 nights in a row.

If you are away for 6 or more nights in a row, you generally need to keep a travel diary.

If you receive a travel allowance from your employer, there are some circumstances where you may not need to keep a travel diary, even if you are away for 6 or more nights in a row.

Although you don't need to keep a travel diary if your trip is for less than 6 nights in a row, you may still find it helpful to keep details of your travel.

How to keep a travel diary

For each activity on your trip, record:

- where you were
- what you were doing
- when you stopped for meals
- the date, and start and end times, of the activity.

Record the activity before it ends or as soon as possible afterwards.
The diary must be in English.

Example: travel diary

Noel is a manager of a tool manufacturing company that has plants in Australia and New Zealand. He travels to New Zealand for 9 days to attend a conference in Auckland and visit the factory in Christchurch.

Before returning to Australia, Noel spends a few days visiting friends and sightseeing near Christchurch.

As Noel will be staying away from his home for more than 6 nights, he keeps the following diary of his travel.

Example travel diary entry

Date	Activity
Mon 7 October	7:10 am flight to Auckland. Arrive 12:15 pm 6:30 pm – 9:30 pm Opening night of conference
Tue 8 October	9:30 am – 4:30 pm Conference
Wed 9 October	9:30 am – 4:30 pm Conference 5:00 pm – 6:30 pm Teleconference with Australia
Thu 10 October	9:30 am – 5:30 pm Conference
Fri 11 October	9:00 am flight to Christchurch, arrive 10:25 am 11:30 am – 6:00 pm Work at Christchurch plant
Sat 12 October	Day off
Sun 13 October	8:30 am – 12:30 pm Management planning session

Mon 14 October	8:00 am – 6:30 pm Work at Christchurch plant
Tue 15 October	8:00 am – 3:00 pm Work at Christchurch
Wed 16 October	Holiday with friends
Thu 17 October	Holiday with friends
Fri 18 October	Holiday with friends 6:05 pm flight to Sydney, arrive 7:25 pm

Noel's diary entries show he was travelling for 12 days, 3 of these days are for a private purposes. He can only claim deductions for the work-related part of his travel. He can claim 75% of the cost of his flights (the part of the trip that was work-related).

Noel keeps all written evidence and records that relate to his travel for a period of 5 years from when he lodges his tax return.

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