



Deduction questions D1–D10

How to complete deduction questions D1 to D10 in your paper tax return.

D1 Work-related car expenses 2024



Complete question D1 if you incurred car expenses as an employee for a car you owned, leased or hired.

D2 Work-related travel expenses 2024



Complete question D2 if you incurred travel expenses in the course of performing your work as an employee.

D3 Work-related clothing, laundry and dry-cleaning expenses 2024



Complete question D3 if as an employee you incurred work-related clothing, laundry and dry-cleaning expenses.

D4 Work-related self-education expenses 2024



Complete question D4 to claim self-education expenses that relate to your work as an employee.

D5 Other work-related expenses 2024



Complete question D5 to claim any other work-related expenses you incurred as an employee and have not already claimed.

D6 Low-value pool deduction 2024



Complete question D6 to claim a deduction for the decline in value of low-cost and low-value assets.

D7 Interest deductions 2024



Complete question D7 to claim interest expenses incurred from interest income you have declared at question 10.

D8 Dividend deductions 2024



Complete question D8 to claim expenses you incurred from dividend and distribution income you declared at question 11.

D9 Gifts or donations 2024



Complete question D9 to claim a deduction for gifts or donations you made.

D10 Cost of managing tax affairs 2024



Complete question D10 if you incurred expenses in managing your tax affairs.

Deductions in the supplementary tax return 2024



Complete question D if you claimed a deduction in the supplementary section in your tax return.

Total deductions 2024



Complete the total deductions section of your tax return.

Subtotal 2024



Complete the subtotal section in your tax return.

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D1 Work-related car expenses 2024

Complete question D1 if you incurred car expenses as an employee for a car you owned, leased or hired.

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Things you need to know

Claim at this question work-related car expenses you incurred as an employee for a car you either:

- owned (even if it is not registered in your name), or
- leased (even if it is not registered in your name) or hired under a hire-purchase agreement.

Work-related car expenses and work-related travel expenses are expenses you incur in the course of performing your job as an employee. You claim deductions for them at questions **D1** and **D2**. For more information, see **Car and travel expenses 2024** about:

- what expenses you claim as car expenses (**D1**)
- what expenses you claim as travel expenses (**D2**)
- some examples of trips you can and can't claim.

Owned or leased cars

You can claim at this question your work-related expenses for using a car that you owned, leased or hired (under a hire-purchase agreement).

You cannot claim at this question any expenses relating to motorcycles and vehicles with a carrying capacity of one tonne or more, or 9 or more passengers, such as utility trucks and panel vans. See **D2 Work-related travel expenses 2024**.

You cannot claim at this question any expenses relating to a car owned or leased by someone else, including your employer or another member of your family. However, we consider you to be the owner or lessee of a car and eligible to claim expenses where a family or private arrangement made you the owner or lessee even though you were not the registered owner. For example, you can claim for a car that was given to you by another member of your family and which, although it was not registered in your name, you used as your own and for which you paid all expenses.

If you owned or leased a car or hired one under a hire-purchase agreement, you can use either of the methods explained in this question to claim your work-related car expenses.

You will need to know or estimate your work-related kilometres. Work-related kilometres are the kilometres you travelled in the car in the course of using it for work-related purposes.

For more information, see:

- Taxation Ruling TR 2021/1 *Income tax: when are deductions allowed for employees' transport expenses?*
- Taxation Ruling TR 95/34 *Income tax: employees carrying out itinerant work – deductions, allowances and reimbursements for transport expenses*
- Practice Statement Law Administration PS LA 1999/2 *Calculating joint car expense deductions*.

Complete this question if you had work-related car expenses. If not, go to question **D2 Work-related travel expenses 2024**.

What you need to answer this question

You may need:

- written evidence for your car expenses (receipts or invoices)
- your car logbook and odometer records.

You can choose which method to work out your car expenses. You can use the one that gives you the largest deduction or is most convenient. The 2 methods are:

- cents per kilometre
- logbook.

Both methods require you to know or estimate your work-related kilometres. Work-related kilometres are the kilometres you travelled in the car in the course of earning assessable income (includes work-related activities). For some examples of trips you can and cannot claim, see **Car and travel expenses 2024**.

You can also use our **Work-related car expenses calculator** to answer this question.

Expenses relating to foreign employment income

If you received assessable income from your work as an employee outside Australia that is shown on a *PAYG payment summary – foreign employment*, you must claim any work-related car expenses you incurred in earning that income at this question.

If you received assessable foreign employment income that is not shown on a *PAYG payment summary – foreign employment*, you claim your deductions against that income at question 20 **Foreign source income and foreign assets or property**.

Deductions for decline in value (depreciation)

You can claim a deduction for the decline in value of the car only if:

- you use the logbook method
- you owned the car or hired it under a hire-purchase agreement.

If you leased a luxury car, see **Special circumstances 2024** for more information.

Remember:

- The car starts to decline in value from the day you first use it, even if you don't begin using it for work until a later time.

- You can claim a deduction only for a year in which you used the car for work.
- If you owned your car for only part of the year, you will need to apportion your deduction accordingly.

If you are claiming a deduction for the decline in value of a car, see [Guide to depreciating assets 2024](#).

Was your car sold, disposed of, stolen or destroyed?

You might need to make a balancing adjustment if you have been claiming deductions for your car and, during 2023–24 either:

- you sold or disposed of your car
- your car was stolen or destroyed.

You do not need to make a balancing adjustment if you only used the 'cents per kilometre' method for calculating expenses for your car. You will need to make a balancing adjustment if you used only the 'logbook' method to claim your car expenses. To work out the balancing adjustment, see [Guide to depreciating assets 2024](#).

If you had a loss after making the adjustment, include your deduction for it at **question D5**. If you had a profit after making your adjustment, include it at **question 24** in your tax return.

Switching between the 'logbook' and 'cents per kilometre' methods

You also make a balancing adjustment if, at a time before you disposed of the car, you switched between the 'cents per kilometre' and 'logbook' methods to claim your car expenses.

To work out the amount of the balancing adjustment, **contact us** or your recognised tax adviser.

Award transport payment

If you received an award transport payment, see [Award transport payments](#).

Record keeping

Keep written evidence of your car expenses, where required. If you are using the logbook method, you must record your odometer readings

for the start and end of the period being claimed.

Keep this evidence for 5 years from the due date for lodging your tax return. If you lodge your tax return after the due date, the 5 years start from the date you actually lodge it. If at the end of this period you are in a dispute with us that relates to this work expense, you must keep your records until the dispute is resolved.

Completing your tax return

How you complete this question depends on whether you worked out your car expenses deduction using:

- [Cents per kilometre method](#)
- [Logbook method](#).

If you have more than one car and you are claiming expenses under both methods, add the amounts you work out under each method and write the total at question **D1** in your tax return. Print the code letter for the method that gave you the largest amount in the **Claim type** box beside the amount.

Cents per kilometre method

- Your claim is based on a set rate for each work-related kilometre.
- You can claim a maximum of 5,000 work-related kilometres per car, per year.
- You do not need written evidence, but you need to be able to show how you worked out your work-related kilometres. There is more information on record keeping and written evidence in **Records you need to keep**.

To use this method, follow the steps 1 to 4 below.

Step 1

Multiply the total work-related kilometres travelled (maximum of 5,000 km per car) by 85, which is the cents per kilometre rate for all cars.

Step 2

Divide your answer by 100 to work out the dollar amount you can claim.

Step 3

If you are claiming for more than one car using this method, repeat the steps above and add up all the amounts.

Step 4

Write the total at question **D1** – label **A**. Print the code letter **S** in the **Claim type** box beside the amount.

Example: using the cents per kilometre method

Joanne had a car which she used to travel 300 km in performing her job during 2023–24.

She works out her work-related kilometres as:

$$300 \times 85 = 25,500$$

$$25,500 \div 100 = 255$$

Joanne's deduction she can claim for 2023–24 is \$255.

Logbook method

- Your claim is based on the work-related use percentage of the expenses for the car.
- Expenses include running costs and decline in value but not capital costs, such as the purchase price of your car, the principal on any money borrowed to buy it and any improvement costs. If you need to work out the decline in value of your car, see [Deductions for decline in value \(depreciation\)](#).
- To work out your work-related use percentage, you need a logbook and the odometer readings for the [logbook period](#).
- You can claim fuel and oil costs based on either your actual receipts or you can estimate the expenses based on odometer records that show readings from the start and the end of the period you had the car during the year.
- You need written evidence for all other expenses for the car.
- Your work-related use percentage is the percentage of kilometres you travelled in the car for work during the year divided by the total

kilometres travelled by the car during the year.

- If the pattern of your car use changed during the year, make a reasonable estimate of your work-related use percentage for the whole of 2023–24. Take into account your logbook, odometer and other records, any variations in the pattern of use of your car and any changes in the number of cars you used in the course of earning your income.

Logbook period

Your logbook is valid for 5 years. If this is the first year you are using this method, you must have kept a logbook during 2023–24. It must cover at least 12 continuous weeks. If you started using your car for work-related purposes less than 12 weeks before the end of the year, you can extend the 12-week period into 2024–25. If you are using the logbook method for 2 or more cars, the logbook for each car must cover the same period.

If you established your work-related use percentage using a logbook from an earlier year, you need to keep that logbook and maintain odometer records. You also need to keep a logbook if we told you in writing to keep one.

Your logbook must show:

- when the logbook period starts and ends, and the odometer readings at these times
- the total number of kilometres the car travelled during the logbook period
- the number of kilometres travelled for work during the logbook period based on the journeys recorded for the period
- the work-related use percentage for the period.

Entries in the logbook for each business trip must be made at the end of the journey (or as soon as possible afterwards) and show the:

- date the journey began and ended
- odometer readings at the start and end of the journey
- kilometres travelled on the journey
- reason for the journey (this should be sufficiently descriptive to characterise it as a business journey).

Your records must also show:

- the make, model, engine capacity and registration number of the car
- the odometer readings at the start and end of each subsequent income year your logbook is valid for.

To use this method, follow the steps 1 to 4 below.

Step 1

Work out the total kilometres travelled during the logbook period and how many of these were work-related kilometres. Divide the work-related kilometres by the total kilometres travelled. This is your work-related use percentage.

Step 2

Add up your total expenses. To work out the amount to include for decline in value, see [Deductions for decline in value \(depreciation\)](#).

Step 3

Multiply the amount at Step 2 by your work-related use percentage from Step 1 (or if the pattern of use of the car has changed then use the reasonable estimate you made).

Step 4

Write the amount at question **D1** – label **A**. Print the code letter **B** in the **Claim type** box beside the amount.

Where to go next

- Go to question D2 Work-related travel expenses 2024.
- Return to main menu Individual tax return instructions 2024.
- Go back to question Total income or loss 2024.

D2 Work-related travel expenses 2024

Complete question D2 if you incurred travel expenses in the course of performing your work as an employee.

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Things you need to know

For information about what expenses you claim as car expenses (question **D1**) and what expenses you claim as travel expenses (question **D2**), and some examples of trips you can and cannot claim, see [Car and travel expenses 2024](#).

This question is about travel expenses you incur in performing your work as an employee. They include:

- public transport, air travel and taxi fares
- bridge and road tolls, parking fees and short-term car hire
- meal, accommodation and incidental expenses you incur while away overnight for work
- expenses for motorcycles and vehicles with a carrying capacity of one tonne or more, or 9 or more passengers, such as utility trucks and panel vans
- actual expenses, such as petrol, repair and maintenance costs, that you incur to travel in a car that is owned or leased by someone else.

If your employer provided a car for your or your relatives' exclusive use (including under a salary sacrifice arrangement) and you or your relatives were entitled to use it for non-work purposes, you cannot claim a deduction for work-related expenses for operating the car, such as petrol, repairs and other maintenance. This is the case even if the expenses relate directly to your work. However, you can claim expenses such as parking, bridge and road tolls for a work-related use

of the car. Parking at or travelling to a regular workplace is not ordinarily considered to be a work-related use of the car.

Make sure you keep accurate records of travel to make future claims.

For information on:

- travel deductions for employees, see Taxation Ruling TR 2021/1 *Income tax: when are deductions allowed for employees' transport expenses?* and Taxation Ruling TR 2021/4 *Income tax and fringe benefits tax: employees: accommodation and food and drink expenses, travel allowances, and living-away-from-home allowances*
- shifting places of employment, see Taxation Ruling TR 95/34 *Income tax: employees carrying out itinerant work – deductions, allowances and reimbursements for transport expenses*
- reasonable allowance amounts, see Taxation Determination TD 2023/3 *Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2023–24 income year?* together with Taxation Ruling TR 2004/6 *Income tax: substantiation exception for reasonable travel and overtime meal allowance expenses*
- award transport allowance payments, see **Award transport payments**.

Reasonable allowance amounts

If your travel allowance was not shown on your income statement or payment summary and was equal to or less than the reasonable allowance amount for your circumstances, you do not have to include the allowance at question **2** provided that you have fully spent it on deductible work-related travel expenses and you do not claim a deduction for these expenses.

Complete this question if you had work-related travel expenses. If not, go to question D3 **Work-related clothing, laundry and dry cleaning expenses**.

What you need to answer this question

You must have written evidence for the whole of your claim.

To claim meal, accommodation and incidental expenses, you must have incurred the expenses when you travelled and stayed away from your home overnight in the course of performing your work duties. You must also have paid the expenses yourself and not been reimbursed.

You cannot claim meal, accommodation and incidental expenses, if the expenses were incurred because:

- you lived a long way from where you worked because of your personal circumstances
- there was a change to your regular place of work and you lived away from your usual residence to be closer to your new regular place of work (living away from home)
- you chose to sleep at or near your workplace rather than returning to your home between shifts.

If you want to claim meal, accommodation and incidental expenses you incurred when you travelled away overnight for work, then to determine what evidence you need, use tables 4 and 5 in **Special circumstances 2024**.

If you received assessable income from your work as an employee outside of Australia that is shown on an income statement or a *PAYG payment summary – foreign employment*, you must claim any work-related travel expenses you incurred in earning that income at this question.

If you received assessable foreign employment income that is not shown on an income statement or a *PAYG payment summary – foreign employment* you must claim your deductions against that income at question 20 Foreign source income and foreign assets or property 2024.

Completing your tax return

To complete this question, follow steps 1 and 2 below.

Step 1

Add up all your deductible travel expenses.

Step 2

Write the total amount at question **D2** – label **B**.

Where to go next

- Go to question D3 Work-related clothing, laundry and dry cleaning expenses.
- Return to main menu Individual tax return instructions 2024.
- Go back to question D1 Work-related car expenses 2024.

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D3 Work-related clothing, laundry and dry-cleaning expenses 2024

Complete question D3 if as an employee you incurred work-related clothing, laundry and dry-cleaning expenses.

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Things you need to know

Work-related clothing expenses are the costs you incurred for clothing that is:

- **protective clothing and footwear**, such as fire-resistant clothing, sun protection clothing, safety-coloured vests, non-slip nurse's shoes, steel-capped boots, gloves, overalls, aprons, and heavy-duty shirts and trousers (but not jeans) that you wear while working to either
 - protect you from the risk of illness or injury
 - prevent damage to your ordinary clothes, caused by your work or work environment. You can claim the cost of protective equipment, such as hard hats and safety glasses at question **D5**.

- a **non-compulsory uniform** that your employer has registered on the Register of Approved Occupational Clothing (check with your employer if you are not sure)
- a **compulsory uniform** that is a set of clothing or a single item that is distinctive (such as one that has your employer's logo permanently attached to it) and identifies you as an employee of an organisation. There must be a strictly enforced policy making it compulsory to wear that clothing at work. Items may include shoes, stockings, socks and jumpers where they are an essential part of a distinctive compulsory uniform and the colour, style and type are specified in your employer's policy.
- **occupation-specific** which allows people to easily recognise that occupation (such as the checked pants a chef wears when working) and which are not for everyday use.

Work-related clothing expenses also includes the costs you incurred to launder and dry-clean work clothing from the categories listed above.

You can also claim the cost of renting and repairing any of the above work-related clothing.

You can't claim the cost of purchasing or cleaning plain uniforms or clothes, such as black trousers, white shirts, suits or stockings, even if your employer requires you to wear them.

For more information, see:

- Taxation Ruling TR 98/5 *Income tax: calculating and claiming a deduction for laundry expenses*
- Taxation Ruling TR 97/12 *Income tax and fringe benefits tax: work-related expenses: deductibility of expenses on clothing, uniform and footwear*
- Taxation Ruling TR 2003/16 *Income tax: deductibility of protective items*
- Taxation Ruling TR 94/22 *Income tax: implications of the Edwards case for the deductibility of expenditure on conventional clothing by employees*
- Taxation Determination TD 1999/62 *Income tax: what are the criteria to be considered in deciding whether clothing items constitute a compulsory corporate uniform/wardrobe for the purposes of paragraph 30 of Taxation Ruling TR 97/12?*

Complete this question if you had work-related clothing, laundry or dry-cleaning expenses.

If you don't have work-related clothing expenses, go to question D4 Work-related self-education expenses 2024.

What you need to answer this question

In all circumstances, you need to keep evidence such as diary records that show how you calculated your claim.

Where you claim a deduction for:

- buying, dry-cleaning, or repairing work-related clothing and footwear and your total work-related expenses claim is more than \$300, you need to keep written evidence (such as receipts or invoices)
- buying, dry-cleaning, or repairing work-related clothing and footwear and your total work-related expenses claim is \$300 or less, you can claim the amount you spent without written evidence
- laundry expenses (excluding dry-cleaning expenses) and
 - your total laundry claim is \$150 or less, you can claim a deduction without written evidence
 - your total laundry claim is more than \$150, you must have written evidence (such as receipts or invoices).

If your total claim for work-related expenses is more than \$300, you must have written evidence for all of your work-related expenses. However, you can claim for laundry expenses up to \$150 without written evidence. This doesn't increase the \$300 work-related expenses limit to \$450 – see, **Record keeping exceptions**.

If you launder, dry or iron your work-related clothing, you can use a reasonable basis to calculate the amount, that is:

- \$1 per load for work-related clothing
- 50c per load if you mix personal items of clothing with work clothing from one of the categories above.

You must claim any deductible work-related clothing, laundry or dry-cleaning expenses you incurred in earning that income at this question,

if you received assessable income from your work as an employee outside of Australia that is shown on either:

- an income statement
- *PAYG payment summary – foreign employment*.

If you received assessable foreign employment income that is not shown on an income statement or a *PAYG payment summary – foreign employment*, you must claim your deductions at question **20 Foreign source income and foreign assets or property 2024**.

Completing your tax return

To complete this question, follow steps 1 to 3 below.

Step 1

Add up all your deductible work-related clothing, laundry and dry-cleaning expenses.

Step 2

Write the total at question **D3** – label **C**.

Step 3

Select the code from the table below that describes the main type of clothing you are claiming. Print the letter in the **Claim type** box at question **D3** – label **C**.

Work-related clothing codes

| Code | Type of work-related clothing |
|----------|-------------------------------|
| C | Compulsory work uniform |
| N | Non-compulsory work uniform |
| S | Occupation-specific clothing |
| P | Protective clothing |

Where to go next

- Go to question D4 Work-related self-education expenses 2024.
- Return to main menu Individual tax return instructions 2024.
- Go back to question D2 Work-related travel expenses 2024.

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D4 Work-related self-education expenses 2024

Complete question D4 to claim self-education expenses that relate to your work as an employee.

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Things you need to know

Work-related self-education expenses are costs you incur to:

- undertake a course at an educational institution (whether they lead to a formal qualification or not)
- undertake a course by a professional or industry organisation
- attend a work-related conference or seminar
- complete self-paced learning and study tours (whether within Australia or overseas).

To claim a deduction for self-education expenses, you must be able to show there is a close connection between the course and your work activities at the time you incur the expenses.

You can claim a deduction if either:

- the course maintained or improved a skill or specific knowledge required for your then current work activities

- you could show that the course was leading to, or was likely to lead to, increased income from your then current work activities.

You can't claim a deduction for self-education if either:

- the course relates only in a general way to your current employment or profession
- the course will enable you to get new employment.

To make working out your deductions easier, make sure you **keep records** throughout the year.

Example: what is close connection with employment

Louis is a computer science student. His studies are system analysis, software design and programming. Louis also works at the university laboratory installing computers. His course and job are only very generally related. The work only requires a low level of computer knowledge which Louis already had before starting his employment.

The high-level professional skills Louis acquires from the course are well beyond the skills he requires for his current employment. Consequently, Louis can't claim a deduction for his course because it:

- does not maintain or improve his specific knowledge or skills required for his current job
- relates in only a general way to his current employment
- will enable him to get new employment.

If you received assessable income from your work as an employee outside of Australia that is shown on an income statement or a *PAYG payment summary – foreign employment*, you must claim any work-related self-education expenses you incurred in earning that income at this question.

If you received assessable foreign income that is not shown on an income statement or a *PAYG payment summary – foreign employment*,

you must claim your deductions against that income at question 20 Foreign source income and foreign assets or property 2024.

What you can claim

If at the time you incurred any of the following expenses, there was a close connection between your course and your work activities, you can claim them as a deduction:

- your tuition fees payable under FEE-HELP – FEE-HELP provides assistance to eligible fee-paying students, who are not supported by the Commonwealth, to pay tuition fees
- your tuition fees payable under VET Student Loans – VET Student Loans provide assistance to eligible full-fee paying students doing vocational education and training (VET) accredited courses with an approved VET provider
- self-education expenses you paid with your OS-HELP loan – OS-HELP is a loan to cover expenses for eligible Commonwealth supported students who wish to study overseas towards their Australian higher education award
- the cost of your meals and accommodation during temporary overnight absences from home to participate in self-education
- your other expenses such as textbooks, stationery, student union fees, student services and amenities fees, course fees (apart from those listed under [What you can't claim](#))
- the decline in value of your computer (apportioned depending on private use and use for self-education)
- expenses for your travel in either direction between
 - your home and your place of education
 - your workplace and place of education.

Only the first leg of the trip is deductible if you went from home to your place of education and then to work, or the other way around.

For more information on:

- deductions for decline in value, balancing adjustments and immediate deductions for certain depreciating assets, see [Guide to depreciating assets 2024](#).

- deductibility of self-education expenses included by an employee, see Taxation Ruling TR 2024/3 *Income tax: deductibility of self-education expenses incurred by an individual*.

What you can't claim

You can't claim contributions or repayments you, or the Australian Government, make under:

- HECS-HELP
- the Higher Education Loan Program (HELP)
- the Student Financial Supplement Scheme (SFSS)
- the Student Start-up Loan (SSL)
- the Australian Apprenticeship Support Loan (AASL) – formerly known as Trade Support Loan (TSL)
- the Vocational Education and Training Student Loan (VSL).

You also can't claim any deductions against government assistance payments, including Austudy, ABSTUDY and youth allowance.

What you need to complete this question

To complete this question you will need written evidence to support your claims.

You can use the [Self-education expenses calculator](#) to work out your claim, then go to [Completing your tax return](#). Otherwise, follow the instructions below.

If you have self-education car and travel expenses, see question D1 **Work-related car expenses 2024** and question D2 **Work-related travel expenses 2024**.

Completing your tax return

To complete this question, add up your self-education expenses under the following 4 categories.

Self-education categories and explanations

| Category | Explanation | Amount |
|--------------|--|--------|
| A | General expenses that are deductible, including textbooks, stationery, student union fees, student services and amenities fees, course fees and public transport fares Include car expenses (other than the decline in value of a car) worked out under the 'logbook' method. For more information, see question D1 Work-related car expenses 2024 . | \$ |
| B | Deductions for the decline in value of depreciating assets used for self-education, including computers and cars for which you are claiming deductions under the 'logbook' method | \$ |
| C | Expenses for repairs to items of equipment used for self-education | \$ |
| D | Car expenses related to your self-education for which you are claiming deductions under the 'cents per kilometre' method (If you have included deductions for the decline in value of or repairs to your car under category B or C , you can't claim car expenses under this category.) | \$ |
| Total | Add up the work-related self-education expenses A , B , C and D . | \$ |

Transfer the total amount of work-related self-education expenses to question **D4** – label **D**.

Select the code from the list below, that best describes your reason for incurring self-education expenses:

- **K** – The self-education maintained or improved a skill or specific knowledge required for your work activities as an employee.

- **I** – The self-education was leading to, or was likely to lead to, increased income from your work activities as an employee.

Write your code (**K** or **I**) in the **CLAIM TYPE** box at question **D4** – label **D**.

Where to go next

- Go to question D5 Other work-related expenses 2024.
- Return to main menu Individual tax return instructions 2024.
- Go back to question D3 Work-related clothing, laundry and dry cleaning expenses 2024.

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D5 Other work-related expenses 2024

Complete question D5 to claim any other work-related expenses you incurred as an employee and have not already claimed.

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Things you need to know

Other work-related expenses are expenses you incurred as an employee and have not already claimed anywhere else in your tax return. These include:

- union fees and subscriptions to trade, business or professional associations
- overtime meal expenses if you received an overtime meal allowance from your employer that was paid under an industrial law, award or agreement, and you have

- purchased and consumed the meal during your overtime
- included the amount of the overtime meal allowance as income at question **2**
- written evidence, such as receipts, if your claim was more than \$35.65 per meal
- reference books, technical journals and trade magazines
- the work-related portion of tools and equipment, such as a computer or office furniture, and professional libraries; you may be able to claim
 - an immediate deduction for the cost of depreciating assets costing \$300 or less
 - a deduction for the decline in value of an item that cost more than \$300 over its effective life (however, if you no longer own or use an item and you previously claimed a deduction for its decline in value, you may need to make a balancing adjustment), see **Guide to depreciating assets 2024**
- the work-related portion of items that protect you from the risk of injury or illness posed by your work or your work environment, such as hard hats, safety glasses and sunscreens (but **not** protective clothing and footwear, that you claim at question **D3**)
- the work-related portion of the following costs
 - interest on money borrowed to buy tools and equipment
 - repair costs for tools or items of equipment
 - phone or internet usage (if you haven't already claimed working from home expenses using the fixed rate method)
 - phone rental, if you can show you were on call or were regularly required to phone your employer or clients while away from your workplace
 - **additional running expenses** you incurred as a result of working from home
 - **COVID-19 test expenses.**

Complete this question if you had any other work-related expenses listed above. Otherwise, go to question **D6 Low-value pool deduction**

2024.

What you need to answer this question

You may need some of the following:

- your income statement or *PAYG payment summary – individual non-business*
- your income statement or *PAYG payment summary – foreign employment*
- receipts, invoices or written evidence from your supplier or association
- other written evidence.

If your total claim for all work-related expenses exceeds \$300, you must have **written evidence**.

If you received assessable income from your work as an employee outside Australia that is shown on an income statement or a *PAYG payment summary – foreign employment*, you must claim any work-related expenses you incurred in earning that income at this question provided you have not already claimed the expense at another question.


If you received assessable foreign employment income that is not shown on an income statement or a *PAYG payment summary – foreign employment*, you must claim your deductions against that income at question 20 Foreign source income and foreign assets or property 2024.

Working from home expenses

For your working from home expenses, you can choose to use one of the 2 methods below as long as you meet the working criteria and record keeping requirements:

- **Fixed rate method – 67c per hour worked from home**
 - This rate covers the additional running expenses that you incur as a result of working from home for energy expenses (electricity and/or gas), internet and data expenses, mobile and/or home phone usage expenses, stationery and computer consumables.

- You don't need a separate home office or dedicated work area to use this method.
- The fixed rate method does not cover the decline in value of depreciating assets used for work.
- **Actual cost method.**

To work out your deduction, you can use the [Home office expenses calculator](#) .

To work out the method that gives you the best deduction outcome for your situation, see **Working from home expenses**.

You can't claim

You can't claim a deduction for:

- the cost of entertainment, fines and penalties
- private expenses, such as childcare expenses and fees paid to social clubs
- coffee, tea, milk and other general household items your employer may otherwise have provided you with at work
- costs related to children and their education including buying equipment such as iPads and desks
- the decline in value of items primarily for use in your employment if the item was provided to you by your employer, or some or all of the cost of the item was paid or reimbursed by your employer, and the benefit was exempt from fringe benefits tax – items include laptops, portable printers, personal digital assistants, calculators, mobile phones, computer software, protective clothing, briefcases and tools of trade.

Generally, you can't claim a deduction for **occupancy expenses** such as rent, rates, mortgage interest and insurance.

For more information, see:

- Taxation Ruling TR 93/30 *Income tax: deductions for home office expenses*
- Taxation Ruling TR 2003/16 *Income tax: deductibility of protective items*

- Taxation Ruling TR 2004/6 *Income tax: substantiation exception for reasonable travel and overtime meal allowance expenses*
- Law administration practice statement PS LA 2001/6 *Verification approaches for electronic device usage expenses*
- Law administration practice statement PS LA 2005/7 *Substantiating an individual's work-related expenses*
- Practical compliance guideline PCG 2023/1 *Claiming a deduction for additional running expenses incurred while working from home – ATO compliance approach.*

Completing your tax return

To complete this question, follow the steps below.

Step 1

Add up all the expenses that you can claim at this question.

To work out the amount you can claim for depreciating assets, use either:

- Guide to depreciating assets 2024
- Depreciation and capital allowances tool.

Step 2

Write the total amount at question **D5** – label **E**.

Where to go next

- Go to question D6 Low-value pool deduction 2024.
- Return to main menu Individual tax return instructions 2024.
- Go back to question D4 Work-related self-education expenses 2024.

D6 Low-value pool deduction 2024

Complete question D6 to claim a deduction for the decline in value of low-cost and low-value assets.

Published 29 May 2024

Things you need to know

You can claim a deduction for the decline in value of **low-cost** and **low-value** assets you used in the course of producing assessable income, by allocating them to what is called a **low-value pool**. Claims for a deduction for the decline in value of other depreciating assets are dealt with at other questions.

Low-cost assets are depreciating assets that cost less than \$1,000.

Low-value assets are depreciating assets that are not low-cost assets but which, on 1 July 2023, had an opening adjustable value of less than \$1,000 under the diminishing value method.

You can have only one low-value pool.

Once you choose to allocate a low-cost asset to the low-value pool, you must allocate to the pool all other low-cost assets you start to hold in that year and in future years. Once allocated, those assets must remain in the pool.

However, you can decide whether to allocate low-value assets to the low-value pool on an asset-by-asset basis.

What can be included

Assets you can allocate to a low-value pool include assets you use either:

- in your work as an employee (see questions D1 Work-related car expenses 2024 to D5 Other work-related expenses 2024)
- to gain rental income (see question 21 Rent 2024).

However, if you claim the deduction at this question, do not claim it at questions **D1** to **D5** or question **21**.

What can't be included

The following cannot be included in a low-value pool:

- assets you have previously claimed deductions for using the prime cost method
- assets that cost \$300 or less for which you can claim an immediate deduction
- assets for which you deduct amounts under the simplified depreciation rules for small business entities – for more information, see **Business and professional items schedule instructions 2024**
- horticultural plants
- a portable electronic device (such as a laptop, portable printer, personal digital assistant, calculator, mobile phone and portable GPS navigation receiver), computer software, protective clothing, a briefcase or a tool of trade, which is primarily for use in your employment, if your employer provided it, paid for it or reimbursed you for any of its cost, and the benefit was exempt from fringe benefits tax.

If your low-value pool contains only assets used in business, you should lodge your tax return using **myTax** or a **registered tax agent**.

If you are unable to use myTax or a registered tax agent, **contact us** and we will mail you a paper tax return and Business and professional items schedule.

If you did not allocate assets to a low-value pool in 2023–24 or in a previous year, go to question **D7 Interest deductions 2024**.

What you need to answer this question

When you allocate an asset to a low-value pool, you must make a reasonable estimate of the percentage you will use the asset to produce your assessable income over its effective life (for a low-cost asset) or remaining effective life (for a low-value asset). This estimate is called your **taxable use percentage** for the asset.

You work out your low-value pool deduction using a diminishing value rate. A rate of 37.5% is generally applied to the pool balance. However, a rate of 18.75% (that is, half the normal pool rate) is applied to the **taxable use percentage** of:

- the cost of each low-cost asset you allocated to the pool in 2023–24
- any additional capital costs (such as improvements) you incurred in 2023–24 for assets you allocated to the pool in an earlier income year and for low-value assets you allocated to the pool in 2023–24.

Completing your tax return

To complete this question, follow steps 1 and 2 below.

Step 1

Read **example 1** and use [Worksheet 1](#) to work out your total low-value pool deduction. Transfer the amount you worked out at worksheet **1** – row **i** to question **D6** – label **K**.

Example 1: using worksheet 1 to work out your low-value pool deduction

Edward bought a printer for \$600 in 2023–24. His employer did not pay or reimburse any of the cost of the printer. He decided to allocate it to a low-value pool. He estimated that over its effective life the printer would be used 40% of the time to produce his assessable income as an employee.

$\$600 \times 40\%$ is \$240. Therefore, Edward will write \$240 at worksheet **1** – row **e**.

This is the first year of Edward's low-value pool.

Edward previously claimed deductions under the diminishing value method for a laptop computer he had purchased for \$1,500. His employer did not pay or reimburse any of the cost of the computer. The laptop's opening adjustable value on 1 July 2023 was \$900.

Edward estimates that he will use it solely to produce his assessable income for its remaining effective life. Edward

allocates the laptop to the pool in 2023–24 as it is now a low-value asset.

Edward's Worksheet 1 would look like this:

Edward's Worksheet 1

| Row | Low-value pool deduction | Amount |
|-----|--|--------|
| a | The closing balance of the pool for 2022–23 | \$0 |
| b | For each low-value asset allocated to the pool in 2023–24, multiply its opening adjustable value (on 1 July 2023) by your taxable use percentage for the asset. | \$900 |
| c | Add rows a and b . | \$900 |
| d | Multiply row c by 0.375. | \$337 |
| e | For each low-cost asset allocated to the pool in 2023–24, multiply its cost (including additional capital costs incurred in 2023–24, such as improvements) by your taxable use percentage for the asset. | \$240 |
| f | For each: <ul style="list-style-type: none">• asset allocated to the pool in a prior income year, and• low-value asset allocated to the pool in 2023–24 for which you incurred additional capital costs (such as improvements) in 2023–24, multiply the costs by your taxable use percentage for the asset. | \$0 |
| g | Add rows e and f . | \$240 |
| h | Multiply row g by 0.1875. | \$45 |

| | | |
|---|----------------------------------|-------|
| i | Add rows d and h . | \$382 |
|---|----------------------------------|-------|

The amount at row **i** is the total low-value pool deduction.
Edward shows \$382 at question **D6** – label **K** in his tax return.

Worksheet 1

| Row | Low-value pool deduction | Amount |
|-----|---|--------|
| a | The closing balance of the pool for 2022–23. If you did not have a low-value pool in 2022–23, write 0 (zero). | \$ |
| b | For each low-value asset allocated to the pool in 2023–24, multiply its opening adjustable value (on 1 July 2023) by your taxable use percentage for the asset. Add up the amounts and write in the total. | \$ |
| c | Add rows a and b . | \$ |
| d | Multiply row c by 0.375. | \$ |
| e | For each low-cost asset allocated to the pool in 2023–24, multiply its cost (including additional capital costs incurred in 2023–24, such as improvements) by your taxable use percentage for the asset. Add up the amounts and write in the total. | \$ |
| f | For each: <ul style="list-style-type: none"> asset allocated to the pool in a prior income year, and low-value asset allocated to the pool in 2023–24 for which you incurred additional capital costs (such as improvements) in 2023–24, multiply the costs by your taxable use percentage for the asset. | \$ |

| | | |
|---|--|----|
| | Add up the amounts and write in the total. | |
| g | Add rows e and f . | \$ |
| h | Multiply row g by 0.1875. | \$ |
| i | Add rows d and h . | \$ |

The amount at row **i** is the total low-value pool deduction.

Step 2

You will need the closing pool balance for 2023–24 to calculate your low-value pool deduction for 2024–25. [Worksheet 2](#) will help you work out the closing balance.

Some common events, such as the sale or disposal of an asset in the low-value pool, or the asset's loss or destruction, result in a 'balancing adjustment event'. If there has been a balancing adjustment event for an asset in the pool, you must reduce the closing pool balance. To do this, you multiply the asset's termination value (generally any proceeds, including any insurance payout, from the event) by your taxable use percentage for the asset. Your closing pool balance is reduced by the amount that results from this calculation. There is space for you to include this amount in worksheet **2**. If this amount is more than the closing pool balance, you reduce the closing pool balance to nil and include the excess amount at question **24 Other income** in your tax return.

Keep a record of your 2023–24 closing pool balance for next year's tax return.

For more information, see [Guide to depreciating assets 2024](#).

Read **example 2**, then use [Worksheet 2](#) to work out your closing balance.

Example 2: using worksheet 2 to work out your closing pool balance

Following on from example 1 Edward works out his closing balance, using his worksheet 2:

Edward's Worksheet 2

| Row | Closing balance for 2023–24 | Amount |
|-----|---|--------------|
| j | Transfer amount from worksheet 1 – row a . | \$0 |
| k | Transfer amount from worksheet 1 – row b . | \$900 |
| l | Transfer amount from worksheet 1 – row e . | \$240 |
| m | Transfer amount from worksheet 1 – row f . | \$0 |
| n | Add rows j , k , l and m . | \$1140 |
| o | Transfer amount from worksheet 1 – row i . | \$382 |
| p | Subtract row o from row n . | \$758 |
| q | For each pool asset subject to a balancing adjustment event in 2023–24, multiply its termination value by your taxable use percentage for the asset (see Step 2 above). | \$0 |
| r | Subtract row q from row p . This is your closing pool balance for 2023–24. | \$758 |

Worksheet 2

| Row | Closing balance for 2023–24 | Amount |
|-----|--|--------|
| j | Transfer amount from worksheet 1 – row a . | \$ |

| | | |
|---|--|----|
| k | Transfer amount from worksheet 1 – row b . | \$ |
| l | Transfer amount from worksheet 1 – row e . | \$ |
| m | Transfer amount from worksheet 1 – row f . | \$ |
| n | Add rows j , k , l and m . | \$ |
| o | Transfer amount from worksheet 1 – row i . | \$ |
| p | Subtract row o from row n . | \$ |
| q | For each pool asset subject to a balancing adjustment event in 2023–24, multiply its termination value by your taxable use percentage for the asset (see Step 2 above). Add up the amounts and write the total. | \$ |
| r | Subtract row q from row p . | \$ |

The amount at row **r** is your closing pool balance for 2023–24. You will need it to calculate your low-value pool deduction for 2024–25.

Where to go next

- Go to question D7 Interest deductions 2024.
- Return to main menu Individual tax return instructions 2024.
- Go back to question D5 Other work-related expenses 2024.

QC 101499

D7 Interest deductions 2024

Complete question D7 to claim interest expenses incurred from interest income you have declared at question 10.

Things you need to know

Interest expenses you can claim relate to expenses you incurred in earning interest from any source in Australia. This includes accounts and term deposits held with financial institutions in Australia.

Your interest expenses may 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 income-producing investments.

What you can claim

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

You can also claim a proportion 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 your investment in both interest-earning investments and investments in shares or similar securities, then you can claim only the proportion of the decline in value related to managing those investments once, at either question **D7** or **D8**. See **Guide to depreciating assets 2024** if you are claiming a deduction for the decline in value on your computer.

If you incurred expenses relating to certain overseas investments (or investments in Australia if you were a foreign resident), your claims may be affected by the thin capitalisation rules. These rules may apply if the total of your debt deductions and those of your associates is more than \$2 million for 2023–24. For more information, see **Thin capitalisation – how the rules work**.

What you can't claim

You can't claim expenses you were charged for drawing up an investment plan unless you were carrying on an investment business, in which case you would claim any expenses at question **P8 Business income and expenses** on the *Business and professional items schedule 2024*. If this applies to you, then you should lodge your tax return using myTax or a registered tax agent.

If you are unable to use myTax or a registered tax agent, contact us and we will mail you a paper tax return and Business and Professional items schedule.

Interest expenses you claim at another question

Do not show at question **D7** any interest expenses incurred in:

- earning trust and partnership distributions – they are shown at question **13** – labels **X** and **Y** in your tax return
- earning foreign source interest – they are shown at question **20** or question **D15** in your tax return.

If you didn't have any interest deductions go to question **D8 Dividend deductions 2024**.

What you need to answer this question

You will need your bank or financial institution statements or passbooks.

If you had any joint accounts or other interest-earning investments, show only your share of the joint expenses. This will be half if you held the account or investment equally with one other person. Keep a record of how you worked out your proportion if you and the other investors or account holders did not share the expenses equally.

Completing your tax return

To complete this question, follow steps 1 and 2 below.

Step 1

Add up all your deductions for this question.

Step 2

Write the total amount at question **D7** – label **I**.

Where to go next

- Go to question D8 Dividend deductions 2024.
- Return to main menu Individual tax return instructions 2024.
- Go back to question D6 Low-value pool deduction 2024.

QC 101484

D8 Dividend deductions 2024

Complete question D8 to claim expenses you incurred from dividend and distribution income you declared at question 11.

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Things you need to know

Dividend expenses you can claim relate to expenses you incurred in earning dividends and distributions that were paid or credited to you by Australian companies that you had shares in.

You must also complete this question if you had a listed investment company (LIC) capital gain amount in your dividends.

Your dividend expenses may include:

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

If you had any joint share investments or similar investments, show only your share of joint expenses. This will be half if you held the investment equally with one other person. Keep a record of how you worked out your proportion if you and the other investors did not share the expenses equally.

Interest on investments under 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**.

If you incurred expenses relating to certain overseas investments (or investments in Australia if you were a foreign resident), your claims may be affected by the thin capitalisation rules. These rules may apply if the total of your debt deductions and those of your associates is more than \$2 million for 2023–24. For more information on the rules, see **Thin capitalisation – how the rules work**.

For more on the income you need to declare, deductions and credits you can claim and records you need for your shares, see **You and your shares 2024**.

What you can claim

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

You can also claim a proportion 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 your investment in both interest-earning investments and investments in shares or similar securities, then you can claim only the proportion of the decline in value related to managing those investments once, at either question **D7** or **D8**. If you are claiming a deduction for the decline in value on your computer, see **Guide to depreciating assets 2024**.

If you were an Australian resident when a LIC paid you a dividend and the dividend included a LIC capital gain amount, you can claim a deduction of 50% of the LIC capital gain amount. The LIC capital gain amount will be shown separately on your dividend statement.

What you can't claim

You can't claim expenses you were charged for drawing up an investment plan unless you were carrying on an investment business, in which case you would claim any expenses at question **P8 Business income and expenses** on the *Business and professional items schedule for individuals 2024*. If this applies to you, then you should lodge your tax return using myTax or a registered tax agent.

If you are unable to use myTax or a registered tax agent, contact us and we will mail you a paper tax return and Business and Professional items schedule.

Dividend expenses you claim at another question

Do not show at question **D8** any dividend expenses incurred in

- earning trust and partnership distributions – they are shown at question **13** – labels **X** and **Y** in your tax return
- earning foreign source dividends – they are shown at question **20** or question **D15** in your tax return.

If you didn't have any dividend deductions go to question D9 Gifts or donations 2024.

What you need to answer this question

You will need your dividend statements showing any LIC capital gain amount. (Show dividends received from a LIC at question **11**.)

Completing your tax return

To complete this question, follow steps 1 and 2 below.

Step 1

Add up all your deductions for this question.

Step 2

Write the total amount at question **D8** – label **H**.

Where to go next

- Go to question D9 Gifts or donations 2024.

- Return to main menu **Individual tax return instructions 2024**.
- Go back to question **D7 Interest deductions 2024**.

QC 101485


D9 Gifts or donations 2024

Complete question D9 to claim a deduction for gifts or donations you made.

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Things you need to know

To claim a deduction for gifts or donations you made, you need a receipt from an organisation that has a **deductible gift recipient (DGR)** status.

Your receipt will usually indicate whether you can claim a deduction for the gift. If you are not sure, you can check with the organisation. If you are still not sure, go to abn.business.gov.au  to find out whether the organisation is an approved organisation.

Approved DGR organisations include:

- certain funds, organisations or charities which provide help in Australia
- some overseas aid funds
- school building funds
- some environmental or cultural organisations.

If you make donations under a salary sacrifice arrangement you are not entitled to claim a deduction for the donation in your tax return.

If you made donations during 2023–24 to an approved organisation through your employer's payroll system (known as 'workplace-giving'),

you still need to record the total amount of your donations at this question. Your income statement, payment summary, or other written statement from your employer showing the donated amount, is **sufficient evidence** to support your claim. You do not need to have a receipt.

What you can claim

You can claim a deduction for:

- voluntary gifts of \$2 or more made to an approved DGR organisation
- a net contribution of more than \$150 to an approved DGR organisation for a fund-raising event (see **Special circumstances 2024** for further conditions)
- contributions of \$2 or more to
 - a registered political party
 - an independent candidate in an election for parliament
 - an individual who was an independent member of parliament during 2023–24 or, in limited circumstances, had been an independent member.

For more information about what a gift is and examples of gifts, see Taxation Ruling TR 2005/13 *Income tax: tax deductible gifts – what is a gift*.

You can also claim a deduction for:

- a donation to an approved DGR organisation of shares listed on an approved stock exchange valued at \$5,000 or less
- a donation to a private ancillary fund
- entering into a conservation covenant.

If you made donations in a joint name, include only your share.

See **Special circumstances 2024** for more information about the rules for deductions for:

- gifts of property, such as land and artworks
- contributions to fund-raising events
- gifts of shares valued at \$5,000 or less

- contributions and gifts to registered political parties and independent candidates and members.

What you can't claim

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. See [Deductions for contributions relating to fund-raising events in Special circumstances 2024](#).

Record keeping

You should **keep records** for all tax deductible gifts, donations and contributions you make.

If you made one or more small cash donations, each of \$2 or more, 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.

To claim donations of more than \$10, you need a receipt.

If you used the web or phone to make a donation over \$2, your web receipt or credit card statement is sufficient. If you donated through third parties, such as banks and retail outlets, the receipt they gave you is also sufficient. If you contributed through 'workplace-giving' your income statement or payment summary shows the amount you donated.

If you didn't make a gift or donation go to [question D10 Cost of managing tax affairs 2024](#), or return to main menu [Individual tax return instructions 2024](#).

What you need to answer this question

See [Tax deductible donations](#) for information about the rules and what records to keep:

- 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 your tax return

To complete this question, follow steps 1 and 2 below.

Step 1

Add up the amounts of all gifts and donations you are entitled to claim.

Step 2

Write the total at question **D9** – label **J**.

Where to go next

- Go to question D10 Cost of managing tax affairs 2024.
- Return to main menu Individual tax return instructions 2024.
- Go back to question D8 Dividend deductions 2024.

QC 101486

D10 Cost of managing tax affairs 2024

Complete question D10 if you incurred expenses in managing your tax affairs.

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Things you need to know

You can claim a deduction at this question for expenses you incurred for:

- managing your tax affairs, including fees paid to a recognised tax adviser for doing your tax return
- applications made to the Administrative Appeals Tribunal or appeals to the courts about your tax affairs (litigation costs)

- **interest charges we impose** on you
- amounts we charged you for underestimating a varied goods and services tax (GST) instalment or pay as you go (PAYG) instalment
- expenses for complying with your legal obligations relating to another person's or other entity's tax affairs.

You **incurred** an expense in 2023–24 when:

- you received a bill or invoice for an expense that you were liable for and had to pay (even if you paid it after 30 June 2024)
- you did not receive a bill or invoice, but you were charged, and you paid for the expense.

Complete this question if you incurred expenses in managing your tax affairs. Otherwise, go to **Deductions in the supplementary tax return 2024** or return to main menu **Individual tax return instructions 2024**.

Interest charged by the ATO

You can claim a deduction for an interest charge that we imposed on you for:

- the late payment of taxes and penalties
- the amount of any increase in your tax liability as a result of an amendment to your assessment
- the amount of any increase in other tax liabilities, such as GST or PAYG amounts.

You can claim amounts that we imposed on you for underestimating a varied GST or PAYG instalment.

You deduct the expense from your 2023–24 income for an interest charge you incurred in 2023–24.

You can't claim

You can't claim tax shortfall and other penalties for failing to meet your obligations.

You cannot claim for judgment debt interest that you had to pay as a result of a court case involving your tax affairs.

Litigation costs

You can claim a deduction for the litigation costs you incurred in managing your tax affairs. Litigation costs include:


- court fees
- Administrative Appeals Tribunal fees
- solicitor, barrister and other legal costs.

You can claim a deduction for other expenses incurred in managing your tax affairs, such as:

- the preparation and lodgment of your tax return and activity statements
- travel to obtain tax advice from a recognised tax adviser
- obtaining a valuation needed for a deductible donation of property or for a deduction for entering into a conservation covenant; for more information, see Gifts of property in **Special circumstances 2024**.

Expenses for the preparation and lodgment of your tax return and activity statements include 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
- dealing with us about your tax affairs
- purchasing software to allow the completion and lodgment of your tax return. You must apportion the cost of the software if you also used it for other purposes.

Fees paid to a recognised tax adviser are deductible in the year you incurred them. You can see a list of registered tax agents at [Tax Practitioners Board](#) .

You can't claim

You can't claim for the cost of tax advice given by a person who is not a recognised tax adviser.

Other expenses incurred in managing your tax affairs

You can also claim any costs you incurred in complying with your legal obligations relating to another person's or other entity's tax affairs.

This includes:

- complying with the PAYG withholding obligations, for example, where you withheld tax from a payment to a supplier because the supplier did not quote an Australian business number
- providing information that we requested about another taxpayer.

Completing your tax return

To complete this question, follow the steps below.

Step 1

Separate the costs of managing your tax affairs into the following 3 components:

- interest charged by the ATO
- litigation costs
- other expenses incurred in managing your tax affairs.

Step 2

Add up the costs for each component.

Step 3

Write the total cost for each component at question **D10** as follows:

- interest charged by the ATO at label **N**
- litigation costs at label **L**
- other expenses incurred in managing your tax affairs at label **M**.

Where to go next

- Go to Deductions in the supplementary tax return 2024.
- Return to main menu Individual tax return instructions 2024.

- [Go back to question D9 Gifts or donations 2024.](#)

QC 101487

Deductions in the supplementary tax return 2024

Complete question D if you claimed a deduction in the supplementary section in your tax return.

Published 29 May 2024

Things you need to know

You need to complete *Tax return for individuals (supplementary section) 2024* if you had any of the following types of deductions:

- the deductible amount of the undeducted purchase price of a foreign pension or annuity
- personal superannuation contributions
- certain capital expenditure directly connected with a project
- forestry managed investment scheme deductions
- election expenses for local, territory, state or federal candidates
- certain deductible capital expenditure you had not claimed in full before ceasing a primary production business
- non-capital losses incurred on the disposal or redemption of a traditional security
- insurance premiums paid for income protection, sickness and accident cover
- deductible foreign exchange losses

- debt deductions you have not claimed elsewhere that you incurred in earning assessable income or in earning certain foreign non-assessable non-exempt income
- amounts deductible for certain business-related capital expenditure under section 40-880 of the *Income Tax Assessment Act 1997*
 - over 5 income years (sometimes known as the ‘blackhole’ expenditure rule), or
 - immediately as start-up expenses relating to the structure or operation of a business that is proposed to be carried on
- small business pool deductions for depreciating assets that you allocated to a pool under the simplified depreciation rules, and you no longer carry on any business
- a deduction for the net personal services income loss of a personal services entity that related to your personal services income.

Did you have any of the above deductions?

- **No**, go to Total deductions 2024.
- **Yes**, read on.

What you need to answer this question

You can get a copy of the Tax return for individuals (supplementary section) 2024. You may also need to read Supplementary tax return instructions 2024.

Completing your tax return

After completing all details that are relevant to your circumstances in the *Tax return for individuals (supplementary section) 2024*, transfer the **Total supplement deductions** amount to the **Deductions** section in your tax return – question **D**.

Where to go next

- Go to Total deductions 2024.
- Return to main menu Individual tax return instructions 2024.

- Go back to question D10 Cost of managing tax affairs 2024.

QC 101489

Total deductions 2024

Complete the total deductions section of your tax return.

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Completing your tax return

To complete this question, follow steps below.

Step 1

Add up the deductions you claimed at questions **D1** to **D10** and **D** in the **Deductions** section of your tax return. If you did not claim any deductions in your *Tax return for individuals (supplementary section) 2024*, you will not have an amount at question **D**.

Step 2

Write the answer at **TOTAL DEDUCTIONS** in your tax return.

Where to go next

- Go to Subtotal 2024.
- Return to main menu Individual tax return instructions 2024.
- Go back to Deductions in the supplementary tax return 2024.

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Subtotal 2024

Complete the subtotal section in your tax return.

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Completing your tax return

If you show income at **Total income or loss** in your tax return:

- subtract the amount at **Total deductions** from the amount at **Total income or loss**
- write the result at **Subtotal**
- if the amount at **Subtotal** is less than zero, print **L** in the **Loss** box.

If you show a loss at **Total income or loss** in your tax return:

- add the amount at **Total deductions** to the amount at **Total income or loss**
- write the result at **Subtotal**
- print **L** in the **Loss** box.

Where to go next

- Go to question L1 Tax losses of earlier income years 2024.
- Return to main menu Individual tax return instructions 2024.
- Go back to Total deductions 2024.

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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.

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