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Deductions you can claim

Find out which expenses you can claim as income tax deductions and work out the amount to claim.

Work-related deductions

Deductions you can claim for expenses that directly relate to earning your employment income.

Memberships, accreditations, fees and commissions

Deductions for union fees, professional memberships, working with children check, agency fees and commissions.

Meals, entertainment and functions

Deductions for meals, snacks, overtime meals, entertainment and functions.

Gifts and donations

Deductions for gifts or donations you make to deductible gift recipients, and the records you need.

Investments, insurance and super

Learn about deductions for investments, insurance, personal

Cost of managing tax affairs

Deductions you can claim for expenses to manage your tax affairs, such as lodging with a registered agent.

Occupation and industry specific guides

Income and allowances to declare and the expenses you can claim a deduction for in your occupation or industry.

QC 72119

Gifts and donations

Deductions for gifts or donations you make to deductible gift recipients, and the records you need.

Last updated 16 June 2025

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For a summary of this content in poster format, see [Gifts and Donations \(PDF, 264KB\)](#) .

When a gift or donation is deductible

You can only claim a tax deduction for a gift or donation to an organisation that has the status of a [deductible gift recipient](#) (DGR).

To claim a deduction, you must be the person that gives the gift or donation and it must meet the following 4 conditions:

1. It must be made to a DGR.
2. It must truly be a gift or donation – that is, you are voluntarily transferring money or property without receiving, or expecting to receive, any material benefit or advantage in return. A material benefit is something that has a monetary value.
3. It must be money or property – this can include financial assets such as shares.
4. It must comply with any relevant gift conditions – for some DGRs, the income tax law adds conditions affecting the types of deductible gifts they can receive.

DGRs sometimes authorise a business to collect donations on their behalf. For example, a supermarket may be authorised to accept a donation at the register that they then send onto the DGR. You can claim a deduction for a gift or donation you make in this way, if:

- it meets the 4 conditions above
- you have a receipt from the third party.


If you receive a material benefit in return for your gift or donation to a DGR – for example, you purchase a ticket to a fundraising dinner – it's considered a contribution and extra conditions apply.

To claim a deduction, you must have a [record of your donation](#) such as a receipt.

What is a deductible gift recipient?

A DGR is an organisation or fund that registers to receive tax deductible gifts or donations.

Not all charities are DGRs. For example, crowdfunding campaigns are a popular way to raise money for charitable causes. However, many of these crowdfunding websites are not run by DGRs. Donations to these campaigns and platforms aren't deductible.

You can check the DGR status of an organisation at [ABN Look-up: Deductible gift recipients](#) .

What you can claim

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

- Gifts of money – you can claim the amount of the gift, but it must be \$2 or more.
- Gifts of property or shares – there are different rules depending on the type and value of the property – see [Gift types, requirements and valuation rules](#).
- Gifts under the Heritage and Cultural programs – there are special circumstances where donations can also be deductible – see:
 - Donating under the Cultural Gifts Program
 - Heritage gifts
 - Claiming conservation covenant concessions.

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.

You claim the deduction for your gift in the income year in which you give the gift. In some circumstances you may elect to **spread the tax deduction over a period of up to 5 income years**.

Bucket donations

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.

Political party and independent candidate donations

In some circumstances, you can claim a deduction for gifts and donations to registered political parties or independent candidates.

This includes paying a membership subscription to a registered political party.

You must have made the gift or donation as an individual (not in the course of carrying on a business) and it can't be a testamentary donation.

Your gift or donation must be worth \$2 or more. If the gift is property, the property must have been purchased within 12 months of making the donation.

The most you can claim in an income year is:

- \$1,500 for contributions and gifts to political parties
- \$1,500 for contributions and gifts to independent candidates and members.

To claim a deduction, you must have a written record of your donation.

For more information see [Claiming political contributions and gifts](#).

What you can't claim

You can't claim gifts or donations that provide you with a personal benefit, such as:

- raffle or art union tickets – for example, an RSL Art Union prize home
- items such as chocolates, mugs, keyrings, hats or toys that have an advertised price
- the cost of attending fundraising dinners (you may be eligible to claim a deduction as a *contribution* if the cost of the event was more than the **minor benefit supplied as part of the event**)
- club membership fees
- payments to school building funds made in return for a benefit or advantage – for example, as an alternative to an increase in school fees or placement on a waiting list
- payments where you have an understanding with the recipient that the payments will be used to provide a benefit to you
- gifts to family and friends, regardless of the reason
- donations made under a salary sacrifice arrangement
- donations made under a will.

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

Example: material benefits where a deduction can't be claimed

Robbie is an office worker. Each year his workplace gets involved in the Daffodil day appeal to raise money and awareness for the Cancer Council. Robbie buys a teddy bear toy on Daffodil Day at a cost of \$30.

Robbie can't claim a deduction for the cost of the toy as he has received a material benefit in return for his contribution to the Cancer Council.

Keeping records of gifts and donations

Keep records for all tax deductible gifts and contributions you make.

Evidence you need to keep may include:

- receipts for donations or contributions
- a signed letter from the eligible organisation confirming the amount of your donation or contribution.

If you receive a **minor benefit** (for example, a charity dinner) as a benefit for your contribution, the value of the benefit needs to be shown.

Most DGRs will issue you with a receipt for your donation, but they're not required to. If you don't have a receipt, you can still claim a deduction by using other records, such as bank statements.

If a DGR issues a receipt for a deductible gift, the receipt must state:

- the name of the fund, authority or institution to which the donation has been made
- the DGR's Australian business number (ABN) (some DGRs listed by name in the law may not have an ABN)
- that it is for a gift.

If you give through a workplace giving program, your evidence can be from either:

- your income statement or payment summary
- a receipt from a third party or a written record from your employer.

You can use the myDeductions record-keeping tool in the ATO app to keep track of your expenses and receipts throughout the year. If you have an electronic copy of your receipts that are a true and clear reproduction of the original, you're not required to keep the original paper copy.

For more information, see [Keeping a record of your donation](#).

QC 72185

Cost of managing tax affairs

Deductions you can claim for expenses to manage your tax affairs, such as lodging with a registered agent.

Last updated 26 June 2025

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What you can claim

You can claim a deduction for expenses you incur in managing your own tax affairs, such as the cost to lodge through a registered agent.

Costs you can claim for managing your own tax affairs include:

- costs associated with preparing and lodging your tax return and activity statements, for example

- buying tax reference material
- tax return preparation courses
- lodging your tax return through a registered tax agent
- getting tax advice from a **recognised tax adviser**
- dealing with us about your tax affairs
- buying software that allows you to prepare and lodge your tax return (you can only claim a portion of the cost if you also use the software for other purposes)
- travel costs to get tax advice, for example, the travel costs of attending a meeting with a recognised tax adviser
- litigation costs, including court and Administrative Review Tribunal (ART) fees (ART replaced the Administrative Appeals Tribunal from 14 October 2024), and solicitor, barrister and other legal costs
- the cost of a valuation for a deductible gift or donation of property, or for a deduction for entering into a conservation covenant
- an **interest charge we impose**, if it was incurred prior to 1 July 2025
- some fees you incur when you pay your tax obligations by card, for example
 - credit and debit card fees for a business tax liability (for example, GST)
 - debit card fees when paying an individual tax liability (as of 1 January 2025, we no longer pass on debit card fees, but you can still claim a deduction where you paid this fee before this date)
- costs to comply with your legal obligations for another person's (or other entity's) tax affairs
- the portion of financial advice fee that assists you in managing your tax affairs (for example, advice about salary sacrifice).

What you can't claim

Costs you can't claim in managing your own tax affairs include:

- having someone prepare your tax advice who is not either

- a tax agent registered with the Tax Practitioners Board
- a qualified tax relevant provider registered with ASIC
- financial advice fees that aren't in relation to managing your tax affairs (for example, factual information about a financial product that doesn't involve the application or interpretation of the tax laws to your personal circumstances or household budgeting)
- your personal tax debt or any interest on a loan you take out to pay your personal tax debt.

If you receive a single invoice for preparing your tax returns and the tax returns for associated people (such as a spouse), you need to split the fees you incur. You must also:

- be able to show how you work out the cost for each
- keep records as evidence to support the deduction you claim.

You generally incur the fees in the income year you pay them.

Interest charged by the ATO



You can no longer claim a deduction for interest we charge.

QC 72191

Interest charged by the ATO

You can no longer claim a deduction for interest we charge.

Last updated 31 July 2025

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Interest we charge

We charge interest in specific situations, including:

- late payment of taxes and penalties
- an increase in your tax liability as a result of an amendment to your assessment
- an increase in other tax liabilities, such as goods and services tax or pay as you go amounts.

The interest we charge includes:

- general interest charge (GIC)
- shortfall interest charge (SIC).

What you can claim

Any GIC or SIC incurred on or after 1 July 2025 can't be claimed as a deduction.

Interest charged before 1 July 2025

GIC and SIC incurred before 1 July 2025 can be claimed as a deduction in your tax return for the income year in which it is incurred.

You can claim GIC or SIC incurred before 1 July 2025 as a deduction at **Cost of managing tax affairs – Interest charged by the ATO** in your tax return.

If you claim a deduction for GIC or SIC incurred before 1 July 2025 and then we later remit the GIC or SIC, you must report the remitted amount as interest income. This should be included in your tax return for the income year the remission was granted.

The amount of interest you have been charged is normally pre-filled on your tax return. However, if you need to work out how much you have been charged, see [Calculate and report ATO interest](#).

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.

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