Print whole section

Building and construction employees – income and work-related deductions

Building and construction employees guide to income, allowances and claiming deductions for work-related expenses.

Last updated 11 May 2026

For a summary of common expenses, see Building and construction workers (PDF, 569KB).

Who this guide applies to

Find out if this guide applies to you.

Income and allowances

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

Deductions for work expenses

Deductions you can and can't claim for expenses you incur to

Record keeping for work expenses

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

QC 24373

Who this guide applies to

Find out if this guide applies to you.

Published 11 May 2026

When we say building and construction employee, we mean employees engaged in the following or similar roles:

- construction managers and supervisors
- builders
- surveyors
- architects
- heavy equipment operators
- project managers and schedulers
- concreters, scaffolders and landscapers.

The tradespeople and apprentices in the following professions are also building and construction employees:

- plumbers
- electricians
- carpenters
- painters
- plasterers
- bricklayers

- glaziers
- welders and boilermakers
- roofer
- floor covering installer.

For more information and examples related to tradespeople and apprentices, see Tradesperson - income and work-related deductions and Apprentices and trainees - income and work-related deductions.

Some engineers work in the building and construction industry as well. For more information and examples related to engineers, see Engineers - income and work-related deductions.

QC 24373

Income and allowances

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

Last updated 11 May 2026

Amounts you do and don't include

You must include all the income you receive during the income year as an employee in the building and construction industry in your tax return, this includes:

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

Don't include as income any reimbursements you receive.

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

Allowances

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

An allowance is where your employer pays you an amount:

- to help you pay for a work expense – for example, tools and equipment
- as compensation for an aspect of your work such as working conditions or industry peculiarities – for example, underground allowance
- for having special duties, skills or qualifications – for example, first aid qualifications.

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

Allowances not on your income statement or payment summary

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

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

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

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

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

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

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

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

Example: Allowance not assessable, no deduction

Jason is a surveyor based in Perth. His employer is constructing some buildings in Geraldton which is a 4 and a half hour drive away.

Jason is required to travel to Geraldton for a week to survey the sites. He receives a travel allowance to cover his accommodation and meals while he is working in Geraldton.

The allowance is not shown on Jason's income statement and he spends the allowance he receives on accommodation and meals while he is working in Geraldton.

As the allowance is not on Jason's income statement, he:

- doesn't need to declare it in his tax return at the end of the income year
- can't claim a deduction for his accommodation and meal expenses.

Allowances and claiming a deduction

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

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

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

Example: allowance assessable, no deduction allowable

Mark is often required to work underground as part of his job. Mark's employer pays him an allowance for this. The training Mark requires to be able to work underground is provided by his employer.

At the end of the income year, the allowance is on his income statement.

Mark must include the amount of the allowance in his tax return. Mark can't claim a deduction for any expenses against the allowance because he has not incurred any deductible expenses.

The allowance compensates Mark for his special skills and additional duties. It's not to cover any expenses he might incur.

Example: allowance assessable, deduction allowable

Ronaldo's employer provides him with a compulsory uniform which he is required to launder and repair.

Ronaldo's employer pays him a laundry allowance which is on his income statement. Ronaldo regularly washes his uniform and in winter, he also dry-cleans his jacket.

As the laundry allowance is on Ronaldo's income statement, he must declare the laundry allowance as income in his tax return. He can also claim a deduction for the amount he spent laundering and dry cleaning his compulsory uniform.

Reimbursements

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

A reimbursement isn't an allowance.

If your employer reimburses you for expenses you incur:

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

Find out about building and construction employees:

- Deductions for work expenses
- Record keeping for work expenses

QC 24373

Deductions for work expenses

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

Last updated 11 May 2026

Claiming deductions

For a summary of common expenses, see Building and construction workers (PDF, 569KB).

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

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

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

You can’t claim a deduction if:

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

Find out which expenses you can and can't claim as a building and construction employee:

- Building and construction employee expenses A–F
- Building and construction employee expenses G–O
- Building and construction employee expenses P–S
- Building and construction employee expenses T–W

To work out what you can or can’t claim as a deduction, what records you need, and for more information on expenses (including examples), see Employees guide for work expenses.

Keeping records

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

- work-related expenses (such as vehicle trips)

- general expenses (such as gifts and donations).

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

Other languages

A summary of common work-related deductions may be available in your language, go to other languages and to see if a summary is available.

Building and construction employee expenses A–F

Details on claiming building and construction employee expenses.

Building and construction employee expenses G–O

Details on claiming building and construction employee expenses.

Building and construction employee expenses P–S

Details on claiming building and construction employee expenses.

Building and construction employee expenses T–W

Details on claiming building and construction employee expenses.

QC 24373

Building and construction employee expenses A–F

Details on claiming building and construction employee expenses.

Last updated 11 May 2026

Award transport payments (fares allowance)

An award transport payment (fares allowance) is a payment made to you under an award that was in force on 29 October 1986. You might receive an award transport payment (fares allowance) from your employer to cover transport or car expenses. You must include these allowances as assessable income in your tax return.

You can claim a deduction for expenses covered by award transport payments, if the expenses are for work-related travel, and you have actually spent the money.

You don't need to keep written evidence or travel records if you meet all of the following conditions:

- you are paid an award transport payment
- you incur deductible transport expenses that are covered by the award transport payment
- the total of the transport expenses you claim as a deduction is less than the amount payable under the award on 29 October 1986 (the 'award amount'). Your employer or union can tell you the award amount. However, you will need to be able to show how you work out your claim if we request this information.

This exception from keeping written evidence doesn't give rise to an automatic deduction. You're still required to incur a deductible expense relating to the transport the payment covers.

If you want to claim a deduction that is more than the award amount on 29 October 1986, you'll need written evidence and travel records (where necessary) for your whole claim.

Example: deduction allowable more than Award amount

Chandra is an employee house painter. He uses his car to carry his bulky tools and equipment to and from work. Chandra's employer pays him an award transport (fares) allowance of $17.88 per day.

The award rate on 29 October 1986 was $7.60 per day. The allowance is shown on Chandra's income statement.

Chandra must declare the entire allowance as income in his tax return.

Chandra can claim a deduction for the transport costs he incurs travelling from home to work sites, between work sites and from work sites home.

If Chandra claims a deduction of more than $7.60 per day, he must provide written evidence for the whole of his claim, not just the excess over $7.60 per day.

Example: no deduction for transport expenses

Michael is a carpenter working at a factory that manufactures kitchens. He doesn't transport bulky tools or equipment to work.

Even though Michael isn't required to leave the factory at any time in the course of his working day, his employer pays him a fares allowance. The allowance is shown on Michael's income statement at the end of the income year.

Michael can't claim a deduction for the cost of travel to and from work. It is a private expense.

Car expenses

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

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

Example: normal trips between home and work

Keiran is employed as a scaffolder. The jobs he is employed to work on usually last at least one or several full days. Keiran's supervisor is responsible for transporting the equipment for each job to the job site.

Each working day, Keiran drives his car to job site in the morning and drives home at the end of the day.

Keiran can't claim a deduction for the car expenses he incurs for his trips between his home and job sites. The expenses are incurred to put Keiran in a position to earn his employment income. They are private expenses.

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

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

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

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

Example: transporting bulky tools and equipment

Andre is an employee concreter. He needs to provide his own tools and equipment to perform his work duties. The tools and equipment Andre provides include a wheelbarrow, cement mixer, shovels, screeds and buckets.

His employer doesn't supply a secure tool storage area at his workplace, so he must transport his tools and equipment to and from work every day.

The tools and equipment Andre uses for work are bulky because:

- their size and weight make them awkward to transport
- they can only be transported conveniently by a motor vehicle.

Andre can claim a deduction for the expenses he incurs to transport his tools and equipment between his home and work because:

- the tools and equipment are
  - essential for Andre to perform his work duties
  - bulky
- there is no secure storage at his workplace.

Example: secure storage available

Jocelyn works as a bricklayer on a large construction site. She drives to the site each workday. The tools Jocelyn needs to carry out her duties are large and heavy.

There is a secure fence around the construction site and security officers at the entrance. The employer also provides each employee with their own tool locker which has a combination lock. The tool locker provides plenty of space for Jocelyn to store her tools, however she chooses to take her tools home every day.

Although her tools are bulky due to their size and weight, Jocelyn has a secure place to store them at the construction site. It is her personal choice to transport them between home and work each day. Jocelyn can't claim a deduction for her travel between home and work.

Example: tools and transport provided

Priya is a plasterer. Her employer provides her with a van and the materials and tools she needs to carry out her work duties. Priya uses her own car to travel to her employer's head office where she picks up the work van and travels to the sites she needs to work at.

Priya can't claim a deduction for the travel between her home and work to pick up her work van. This is a private expense.

You have shifting places of work where you have no fixed place of work and you continually travel from one work site to another.

Example: shifting workplaces

Ramesh is a surveyor. He travels to several worksites each day . He travels to the first location from his home and returns home at the end of the day from the last work site he worked.

Ramesh can claim a deduction for the car expenses he incurs when he drives between his home and work and when he drives between each work site. Ramesh has shifting place of work because he has no fixed place of work and continually travels from one work site to another.

If Ramesh only attended one site and worked there for several days until the job was finished, he couldn't claim his car expenses for travel between his home and the work site because he doesn't have shifting workplaces on those days.

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

- directly between separate jobs on the same day (provided neither of the workplaces is your home – for example, travelling from your first job as an architect to your second job as a TAFE teacher
- to and from an alternative workplace for the same employer on the same day – for example, travelling between separate work sites for your employer
- from home directly to an alternative workplace – for example, travelling from home to complete a quote at a client's premises that isn't your regular work location.

Example: travelling between workplaces

Jack is an architect who designs apartment buildings. He works on his designs from his office and then travels to work sites for inspections and discussions with the project manager.

Jack can claim a deduction for the cost of travel between his office and the clients' work sites.

He can't claim a deduction for travel between his home and the office, as this travel is to and from his regular workplace. The expenses are private.

Example: unexpected travel to alternative workplace

Bridie, a bobcat operator, arrives at her normal worksite. Her employer then sends her to another work site to cover for a sick operator.

Bridie can claim a deduction for the travel between her normal work site and the alternative work site that isn't her regular

workplace, and then home.

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

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

You don't own, lease or hire a car you use under a salary sacrifice or novated lease arrangement. This is because it's usually your employer leasing the car from the financing company and making it available for your use. You can't claim a deduction for car expenses but you can claim additional work-related expenses you incur that are associated with your work use of the car such as parking and tolls.

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

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

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

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

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

- motorcycle or similar vehicle
- vehicle with a carrying capacity of one tonne or more (such as a ute)

- vehicle that can transport 9 passengers (including the driver) or more (such as a minibus).

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

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

Example: vehicle other than a car

Loc is a painter. He uses his own vehicle to drive from home to work sites and between work sites. The paint and equipment Loc carries are bulky.

Loc owns a vehicle with a gross vehicle mass of 2,402 kg and a kerb weight of 1,040 kg. The payload, or carrying capacity weight, of Loc's vehicle is:

2,402 kg − 1,040 kg = 1,362 kg

As the vehicle's payload, or carrying capacity, is greater than 1,000 kg (or one tonne) Loc's vehicle doesn't meet the definition of a car.

Loc can't claim using the logbook or cents per kilometre method. However, he can claim the actual vehicle expenses that relate to work travel.

Child care, school fees and other education expenses

You can't claim a deduction for the cost of child care (including school holidays and before and after school care) when you're working. It's a

private expense, and the expenses have no direct connection to earning your income.

You can't claim a deduction for the cost of educating your children (or any other students) including school fees, university fees and TAFE fees. You also can't claim other expenses you incur for your children's education, for example, the decline in value of iPads, laptops or desks, calculators, notebooks and pens. These are private expenses that are not connected with earning your employment income.

Clothing and uniform expenses (including footwear)

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

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

'Conventional clothing' is everyday clothing worn by people regardless of their occupation – for example, jeans or business attire.

You can claim a deduction for costs you incur to buy, hire, repair or replace clothing, uniforms and footwear you wear at work if it's in one of the following categories:

- protective clothing – clothing with protective features and functions to protect you from specific risks of injury or illness at work. For example, steel-capped boots, fire-resistant clothing, or overalls that protect conventional clothing. Conventional clothes you wear at work are not regarded as protective clothing as they lack protective qualities designed for the risks of your work. This includes jeans, drill shirts, shorts, trousers, socks, closed shoes.
- occupation-specific – clothing that distinctly identifies you as a person with a particular profession, trade or occupation. For example, a judge's robes or a chef's chequered pants. Items traditionally worn in a profession are not occupation-specific where the clothing is worn by multiple professions. Building and construction workers don't wear occupation-specific clothing.
- a compulsory uniform – clothing that your employer strictly and consistently enforces you wear by workplace agreement or policy and distinctly identifies either

  - you as an employee working for a particular employer
  - the products or services your employer provides
- a non-compulsory uniform – a uniform that is not compulsory to wear and that your employer registers on the Register of Approved Occupational Clothing.

You can't claim a deduction if your employer buys, repairs or replaces your clothing.

Example: conventional clothing

Richard is a landscaper for commercial building projects. He wears jeans with t-shirts or long sleeve shirts at work as they are comfortable. While the jeans and shirts afford Richard some protection from skin abrasions and the sun, they provide limited protection from injury and sunburn.

The jeans and shirts that Richard wears to work are commonly worn as conventional clothing. These don't have protective features or functions to protect the wearer or to cope with rigorous working conditions.

Richard can't claim a deduction for the costs he incurs to buy these items because they're conventional clothing. The expense is private.

Example: protective clothing

Saskia is a builder and works at an industrial park. It is a requirement that while on site all employees wear steel-capped boots and a high-visibility (hi-vis) vest. These items are necessary for Saskia to wear while at work as they provide protection from the risk of illness or injury posed by her income earning activities and the work environment.

The cost of Saskia's steel-capped boots and hi-vis vest were not paid for by her employer and her employer doesn't reimburse her.

Saskia can claim a deduction for the costs she incurs as the items are protective.

Drivers licence

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

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

You can't claim a deduction if your employer pays for or reimburses you for the cost to obtain a special license or condition.

Example: Heavy vehicle licence

Herbie delivers concrete to building sites. To drive the concrete mixer truck he requires a drivers licence and a heavy vehicle licence.

Herbie renews his licence and his heavy vehicle licence annually at a total cost of $144. Each licence renewal cost $72 per year.

Herbie can't claim a deduction for the cost of renewing his driver's licence. This is a private expense. However, Herbie can claim a deduction of $72 for renewing his heavy vehicle licence as it is an additional expense that he incurs which is directly related to his employment duties.

Fines and penalties

You can't claim a deduction for any fines or penalties whether they are incurred in connection with work, or for any reason. Fines may include parking and speeding fines or penalties. For example, a fine you receive for parking illegally outside your worksite.

Example: Traffic fine

Janine is employed as a project manager. She works on at least 3 different projects at any one time and often needs to travel between the work sites each day using her own car.

As she is running late for a meeting with an engineer at one of the work sites, Janine runs a red light. Janine is fined $325 for running the red light.

Janine can't claim a deduction for the fine.

First aid courses

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

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

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

For more building and construction employee expenses, see:

- Building and construction employee expenses G–O
- Building and construction employee expenses P–S
- Building and construction employee expenses T–W

QC 24373

Building and construction employee expenses G–O

Details on claiming building and construction employee expenses.

Last updated 11 May 2026

Glasses, contact lenses and anti-glare glasses

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

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

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

Example: claiming sunglasses

Mia is a bricklayer and she works at a major construction site. As she always works outside, Mia wears sunglasses. The sunglasses protect her eyes from UV radiation and the glare of the sun while working on site. She also needs to wear prescription glasses while driving, for her short-sightedness.

She buys a pair of prescription sunglasses which protect from the UV radiation and counter the glare whilst working on site. She also buys a pair of prescription glasses for driving.

Mia can claim a deduction for the cost of the prescription sunglasses as they protect her eyes from sun damage while working. If Mia also uses her prescription sunglasses for personal purposes, she can only claim a deduction for the work-related use.

Mia can't claim a deduction for the prescription glasses. These are a private expense as they don't provide Mia protection in her working environment.

Hiring equipment

You can claim the cost of hiring equipment that you use for carrying out your employment duties. However, if you also use the equipment you hire for private purposes, you can only claim a deduction for your work-related use.

Insurance of tools and equipment

You can claim a deduction for the cost to insure your tools and equipment to the extent that you use them for work-related purposes.

Laundry and maintenance

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

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

This also includes laundromat and dry-cleaning expenses.

To work out your laundry expenses, you can claim a rate of:

- $1 per load if it only contains work-related clothing from one of the categories above
- 50c per load if you mix personal items of clothing with work-related items from one of the categories listed above.

You can claim the actual costs you incur for repairing and dry-cleaning expenses.

If your laundry claim (excluding dry-cleaning expenses) is $150 or less, you don't need to keep records. However, you will still need to be able to show how you work out your claim. This isn't an automatic deduction.

Example: laundry expenses

Laura receives 3 company shirts, a jacket and 3 pairs of pants with logos embroidered on them from her employer. Her employer has registered the shirts, jacket and pants on the Register of Approved Occupational Clothing.

Laura washes and dries her company shirts in a separate load of washing twice a week. Laura works 48 weeks during the income year.

As Laura's uniform is non-compulsory and her employer has registered it on the Register of Approved Occupational Clothing, she can claim a deduction for the cost of washing and drying it.

Laura works out her claim of $96 for laundry expenses as follows:

> Number of claimable laundry loads per week × number of weeks = total number of claimable laundry loads
>
> 2 × 48 = 96
>
> Total number of claimable laundry loads × reasonable cost per load = total claim amount
>
> 96 × $1 = $96

As her total claim for laundry expenses is under $150 ($96) Laura doesn't have to provide written evidence of her laundry expenses. Although Laura doesn't require evidence to prove her claim for laundry, if asked, she will need to show how she works out her claim.

Licences, permits and cards

You can't claim the cost to get your initial licence, regulatory permit, cards or certificate to get a job. For example, a bobcat licence.

You can claim a deduction for costs you incur to get or renew your licence, regulatory permit, card or certificate to continue to perform your work duties. For example, if you need to have a bobcat licence to get your job, you can't claim the initial cost to get the licence. However, you can claim the cost to renew the licence while you still need it for that job.

Example: getting and renewing a bricklaying licence

Marcus completes his training as a bricklayer and is looking for a job in the industry. All the available jobs require Marcus to have a current bricklaying licence.

Marcus follows the process in his home state for applying for his bricklaying licence. He pays the licencing fee of $137.00.

Marcus can't claim a deduction for the cost of getting his bricklaying licence as he incurs this cost to enable him to get a job.

However, if Marcus is employed as a bricklayer when the renewal for his bricklaying licence is due, he will be able to claim a deduction for the cost of renewing his licence.

Meal and snack expenses

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

You can claim:

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

Example: meal expenses

Remi is employed as a glazier on commercial buildings. As Remi starts work early, he buys his breakfast and lunch when he is working on site.

Remi can't claim a deduction for the cost of his meals. The expenses are private.

Music streaming services, CDs, audio books or podcasts

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

Newspapers and other news services, magazines and professional publications

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

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

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

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

Overtime meal expenses

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

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

You can't claim a deduction if the allowance is not shown as a separate allowance on your income statement or payment summary.

You generally need to get and keep written evidence, such as receipts, when you claim a deduction. However, each year we set an amount

you can claim for overtime meal expenses without receipts. We call this is the 'reasonable amount'. If you receive an overtime meal allowance, are claiming a deduction and spent:

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

In all cases, you need to be able to show:

- you spent the money
- how you work out your claim.

Example: overtime meal expenses

Derek is a tiler and is employed to tile a major shopping centre. During the income year, Derek worked overtime on 10 occasions. Derek is paid an overtime meal allowance of $38.65 for each occasion he worked overtime.

Derek spent $23 on a takeaway meal each time he worked overtime. This amount is less than the reasonable amount for the relevant income year.

At the end of the income year his income statement shows he received $386.50 in allowances which represented the 10 times he worked overtime × $38.65; the amount he received per occasion.

In his tax return, Derek declares the allowance of $386.50 as income. He also claims a deduction of $230 for the meals he bought.

He works this out as $23 × 10 = $140. This is the total amount he spent on his overtime meals.

The amount Derek is claiming as a deduction is less than the Commissioner's reasonable amount so, Derek doesn't have to keep written evidence. However, he will need to be able to show how he works out his deduction and that he spent the money.

For more information, see TD 2025/4 *Income tax: reasonable travel and overtime meal allowance expense amounts for the 2025–26 income year.*

For more building and construction employee expenses, see:

- Building and construction employee expenses A–F
- Building and construction employee expenses P–S
- Building and construction employee expenses T–W

QC 24373

Building and construction employee expenses P–S

Details on claiming building and construction employee expenses.

Last updated 11 May 2026

Parking fees and tolls

You can't claim a deduction for parking at or near your regular place of work. You also can't claim a deduction for tolls you incur for trips between your home and your regular place of work. These are private expenses.

You can claim a deduction for parking fees and tolls you incur on work-related trips.

Example: parking fees

Sasha is a project manager and drives her own car to work each day and parks in the secure parking centre next to the construction site where she works.

Once a month Sasha drives her car to a training facility to complete mandatory training, in her role as a project manager. She pays to park at the training facility and her employer doesn't reimburse her.

Sasha can't claim the cost she incurs to park at her regular place of work. However, she can claim her parking when she attends the training facility as she incurs the expense on a work-related trip.

Phone, data and internet expenses

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

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

If you claim more than $50, you need to keep written evidence of the total amount you incurred for phone, data and internet and records to show your work use. For example, an itemised bill where you can identify your work-related phone calls and data use.

You can’t claim a deduction if your employer:

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

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

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

For more information, see:

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

Example: working out phone expenses

Daniel is a construction manager and he uses his personal mobile phone for work purposes when onsite. He is on a set mobile plan of $49 a month.

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

At least once a year, Daniel prints out his monthly bill and highlights his work-related calls. He also makes notes on the itemised bill about who he has called – for example, his staff and suppliers.

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

He works out his claim for phone calls for work purposes as follows:

> Total work phone calls ÷ total number of phone calls = work use percentage for phone calls:
>
> 30 ÷ 300 = 0.10 (that is 10%)

Daniel can claim 10% of the total bill of $49 for each month for work purposes:

> $49 × 0.10 = $4.90

Since Daniel was at work for 46 weeks of the year (10.6 months), he works out his work-related mobile phone expense deduction as follows:

> 10.6 months × $4.90 = $51.94

Example: work and private use

Sylvette is a glazier who uses her computer and personal internet account at home to access her work emails, review building

plans and manage orders of materials for work. Sylvette uses her computer and internet for both work and private purposes.

Sylvette keeps a diary for a 4-week period, recording the times she used the internet for work and private purposes. Sylvette's internet use diary showed 30% of her internet time was for work-related activities and 70% was for private use.

As her internet service provider charge for the year was $1,200 she can claim:

$1,200 × 0.30 = $360 as work-related internet use.

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

Protective equipment and items

You can claim a deduction for the cost of protective items if you wear them to protect you from the real or likely risk of injury or illness in your work environment or while performing your work duties.

To be protective, the equipment must provide a sufficient degree of protection against the risks of illness or injury you are exposed to in carrying out your work duties. Protective items can include safety glasses, helmets and breathing masks. For example, a construction worker can claim a deduction for the cost of steel-capped boots.

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

You can't claim a deduction if your employer:

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

Example: protective items provided by employer

Winnie works as a concreter on a construction site. She is required to wear a helmet, breathing mask, safety glasses, or safety visor at all times while on site. If she doesn't wear them, she is at risk of injury or illness.

Winnie's employer provides the protective equipment and if she was to buy her own, her employer would reimburse her for these costs.

Winnie can't claim a deduction for the helmet, safety glasses, breathing mask and safety visor as she doesn't incur any costs.

If Winnie bought each of the protective items herself, she would be entitled to a deduction for them.

Repairs to tools and equipment

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

Self-education expenses

You can claim a deduction for self-education expenses if they directly relate to your employment as a builder or construction worker and at the time you incurred the expense it:

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

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

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

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

You can claim a deduction for transport expenses for:

- travel between your home and the place of education and then back home
- the first leg of the trip
  - when you travel from home to the place of education and then on to work
  - when you travel from work to a place of education and then home
- travel between work and the place of education and then back to work.

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

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

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

While course or tuition fees may be deductible, fees incurred under the HECS-HELP scheme are not deductible.

Example: self-education expenses

Francesco is a painter. He enrols in a course on a new painting technique which will improve finish of his painting. The course runs for 12 weeks, 3 nights per week.

The course cost $3,125 which includes all the learning materials Francesco requires. The fees are not incurred under the HECS-HELP. Francesco pays the fees directly to the institution running the course.

On the nights he attends the course, Francesco travels from the building site directly to the place the course is being conducted and then home (place of education).

As the course will enable Francesco to improve his knowledge and skills as a painter, he can claim a deduction for the following self-education expenses:

- course fees of $3,125
- the cost travelling in his vehicle from the building site to the place of education.

Francesco can't claim a deduction for the cost of travel from the place of education to his home on 3 nights per week that he attends the course.

Seminars, conferences and training courses

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

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

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

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

Stationery

You can claim a deduction for the cost of logbooks, diaries, pens and notepads that you buy and use for work-related purposes.

You can't claim a deduction if your employer provides or reimburses you for these expenses.

Sunglasses, sunhats and sunscreen

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

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

This includes prescription sunglasses and anti-glare glasses.

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

Example: claiming sunhat and sunscreen

Harold works as a construction supervisor overseeing a team of construction workers on a large-scale residential development. He is required to be outside in the yard directing staff and ensuring everything is running smoothly. He wears a sunhat and sunscreen for protection against the sun while in the yard.

The sunscreen is provided to all staff by Harold's employer. However, he buys a broad brim sunhat that provides him protection from the sun whilst working.

Harold can claim a deduction for the sunhat. He can't claim a deduction for the sunscreen provided by his employer, as he didn't incur an expense.

For more building and construction employee expenses, see:

- Building and construction employee expenses A–F
- Building and construction employee expenses G–O

- Building and construction employee expenses T–W

QC 24373

Building and construction employee expenses T–W

Details on claiming building and construction employee expenses.

Last updated 11 May 2026

Tools and equipment

You can claim a deduction for tools and equipment you use to perform your duties as a building and construction employee. For example, a chisel set or power tools such as angle grinders, circular saws.

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

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

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

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

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

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

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

You can't claim a deduction for tools and equipment that are supplied by your employer or a third party.

Example: tool allowance

Jan receives a yearly tool allowance of $500, and her tool expenses for the income year are $300. As her tools cost $300 or less, to claim a deduction Jan would:

- include the whole amount of the allowance ($500) as income on her tax return
- claim a deduction of $300 for the expenses she incurred for the tools
- keep written evidence for the tools she bought during the income year.

Example: depreciating (no immediate deduction)

Anna needed a new set of 16 spanners for work. She couldn't afford the $352 cost for the complete set, so she bought them all individually throughout the income year.

Although they only cost $22 each, Anna can't claim an immediate deduction for the spanners. This is because they are part of a set, she bought in the income year that cost more than $300.

Anna can claim a deduction for the decline in value of the set, which cost a total of $352.

If, in a following income year, Anna breaks one of the spanners and has to buy a replacement, she'll be able to claim an immediate deduction for the replacement. The replacement spanner won't be part of a set she bought in that income year that cost more than $300.

Example: decline in value over effective life

Tal buys a brick and paving saw on 5 September for $1,500 and only uses it for work-related purposes.

Tal works out that the effective life of the saw is 5 years.

He works out the deduction for the decline in value of his brick and paving saw using the prime cost method in this way:

> Asset cost × (days held ÷ 365) × (work use percentage ÷ 5 years)

If Tal used the electric hand tool for private purposes as well, he would have to multiply the amount calculated using the formula above by the work-related use percentage.

Tal works out that he held the tool for 300 days during the income year and calculates his deduction for the decline in value as:

> $1,500 × (300÷ 365) × (100% ÷ 5) = $247

Tal can claim $247 for the decline in value of his brick and paving saw in the first year. Using the same method, he will also be able to claim $300 per year in the following 4 years and $53 in the final (sixth) year. If Tal uses the brink and paving saw for private purposes in any of those years, he will have to reduce his deduction to account for that private use.

Travel expenses

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

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

Expenses you can claim include your accommodation, meals and expenses which are incidental to the travel. For example, if you're required to travel interstate for 3 nights to attend a work-related conference, seminar or training course.

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

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

You also can't claim a deduction if you:

- are not required to sleep away from your home overnight in the course of performing your employment duties, for example, if you fly interstate for work and return home the same day
- choose to sleep near your workplace rather than returning home.

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

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

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

- the allowance is not on your income statement or payment summary
- the travel allowance doesn't exceed the Commissioner's reasonable amount (the reasonable amount is the amount we set each year for determining whether an exception from keeping written evidence

applies for accommodation, meal and incidental expenses which are covered by a travel allowance)

- you spent the whole amount on deductible accommodation, meal and incidental expenses, if applicable.

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

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

If your deduction is for more than the Commissioner's reasonable amount you need to keep written evidence for all your travel expenses, not just the amount over the reasonable amount.

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

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

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

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

Example: living away from home allowance

Joe is an employee project manager. He lives in the city with his family and applies for a job to work on a large construction project near a country town for 12 months.

Joe receives a living-away-from-home allowance (LAFHA) from his employer to meet his accommodation and meal costs while he is working in the country town.

As the LAFHA is non-assessable non-exempt income, it isn't shown on Joe's income statement and he doesn't have to include it as income in his tax return.

Joe can't claim a deduction for his accommodation and meal costs while living away for work. The expenses are private living expenses.

Example: reasonable allowance amount

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

The travel allowance Antoni receives is less than the Commissioner's reasonable allowance amount and he spends all of the travel allowance on his travel expenses.

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

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

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

Example: claim for less than reasonable allowance amount

Derek works for a national company. His employer provides him with a travel allowance that covers the costs of his accommodation when he travels interstate for work. Derek doesn't receive an allowance for his meals or incidental expenses.

The amount Derek incurs for accommodation costs is less than the reasonable allowance amount. This means he can claim the amount he spent on accommodation and he doesn't have to keep records of his accommodation expenses.

As Derek doesn't receive an allowance to cover his meal or incidental expenses, he must keep written evidence for these expenses. If Derek is away for more than 6 nights in a row, he may also have to keep a travel diary.

For more information, see TD 2025/4 *Income tax: reasonable travel and overtime meal allowance expense amounts for the 2025–26 income year.*

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

Union and professional association fees

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

Working from home expenses

You can claim a deduction for the additional running expenses you incur as a direct result of working from home. Running expenses may include electricity, phone and internet expenses, and the decline in value of equipment or furniture. You must:

- use one of the methods set out by us to calculate your deduction
- keep the records required for the method you choose.

There are some expenses you can't claim a deduction for as an employee, including:

- coffee, tea, milk and other general household items consumed while working from home which your employer may provide you at work
- expenses your employer pays for or reimburses you for, including setting up your home office
- the decline in value of items provided to you by your employer – for example, a laptop or a phone.

Generally as an employee, you can't claim occupancy expenses (rent, rates, mortgage interest and house insurance premiums) unless part of your home is a 'place of business'.

The Home office expenses calculator helps you work out the amount you can claim as a deduction for home office expenses.

For more information, see:

- PS LA 2001/6 *Verification approaches for electronic device usage expenses*
- TR 93/30 *Income tax: deductions for home office expenses*
- PCG 2023/1 *Claiming a deduction for additional running expenses incurred while working from home*

For more building and construction employee expenses, see:

- Building and construction employee expenses A–F
- Building and construction employee expenses G–O
- Building and construction employee expenses P–S

Find out more about building and construction employees:

- Income and allowances
- Record keeping for work expenses

QC 24373

Record keeping for work expenses

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

Last updated 11 May 2026

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

For a summary of work-related expense records, download Keeping records for work-related expenses (PDF, 331KB).

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

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

They must be in English where you incur the expense in Australia.

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

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

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

- Actual cost method for working from home expenses
- Clothing, laundry and dry-cleaning expenses
- Computers, laptops and software
- Expenses for a car you own or lease
- Expenses for a vehicle that isn't yours or isn't a car
- Fixed rate method for working from home expenses
- Home phone and internet expenses

- Keeping travel expense records
- Mobile phone, mobile internet and other devices
- Overtime meal expenses
- Self-education expenses
- Taxi, ride-share and public transport expenses
- Tools and equipment to perform your work

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

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

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

Find out about building and construction employees':

- Income and allowances
- Deductions for work expenses

QC 24373

Our commitment to you

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

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

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

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

Copyright notice

© Australian Taxation Office for the Commonwealth of Australia

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