# *TD 92/D197 - Income tax: does the receipt of a site or height allowance entitle an employee to a deduction?*

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This document has been finalised by TD 93/49.

Generated on: 26 November 2026, 01:05:03 AM

Taxation Determination **TD**

# 92/D197



**Draft Taxation Determinations (TDs) represent the preliminary, though considered, views of the ATO. Draft TDs may not be relied on; only final TDs are authoritative statements of the ATO.**

# Draft Taxation Determination

## Income tax: does the receipt of a site or height allowance entitle an employee to a deduction?

1. No. An employee is entitled under subsection 51(1) of the *Income Tax Assessment Act 1936* to a deduction for expenditure incurred in gaining or producing assessable income other than expenditure of a capital, private or domestic nature. The mere receipt of an allowance does not entitle an employee to a deduction.

2. The amount of a site or height allowance is assessable income and no contra deduction is allowable.

*Example:*

*Z received a site allowance of $1740 from his employer because of difficult working conditions and remoteness of job sites. The amount of $1740 is included in assessable income. Z is not entitled to a deduction of $1740.*

**Commissioner of Taxation**
12/11/92

FOI INDEX DETAIL: Reference No.
Related Rulings: IT 2543
Subject Ref: allowances; deductions.
Legislative Ref: ITAA 51(1)
ATO Ref: BAN TD 15

ISSN 1038 - 8982